STAKEHOLDER REPORT 2021

Securing our future

CNNC
Rössing Uranium
Working for Namibia

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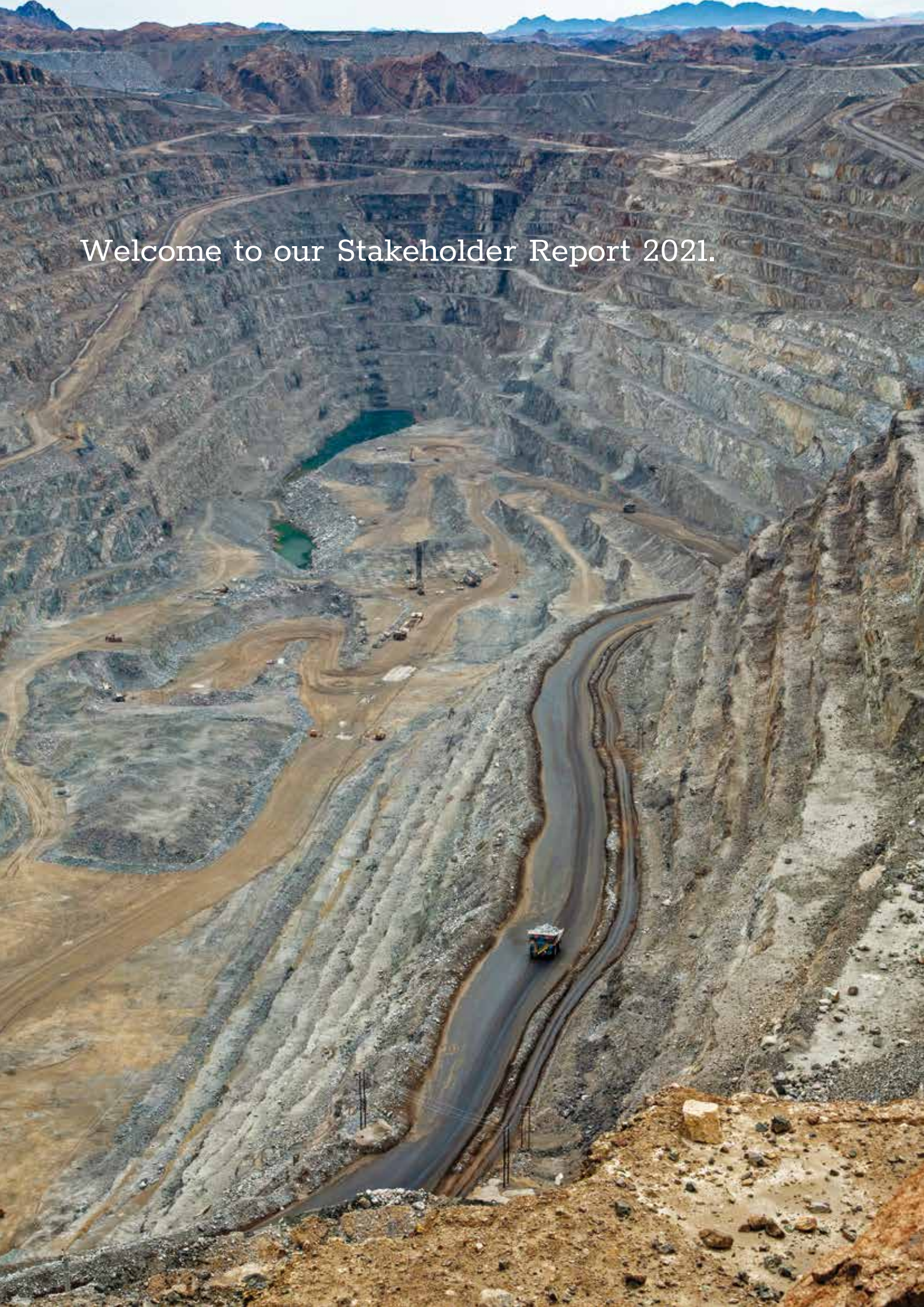

Welcome to our Stakeholder Report 2021.

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Junli Chen, Chairperson, China National Uranium Corporation Limited

MESSAGE FROM **CNNC/CNUC**

The repeating outbreak of COVID-19, the risks of impeded supply chain and the impact of soaring prices in the commodity market continue to weigh on global economic growth in 2021.

While the operational growth of China National Uranium Corporation (CNUC) accelerated in both 2020 and 2021, with tens of thousands of CNUC employees working together to overcome difficulties and forge ahead, the year-on-year revenue and profit both expanded at a pace of 20 per cent.

The 2021 production performance was the best achievement on record in the history of CNUC, making it the world's second in the sales volume of natural uranium.

Rössing Uranium contributed significantly to this remarkable result.

With the joint effort from employees, the strong leadership from management and the support from all stakeholders, Rössing had a very good performance result in 2021. The production hit a record since 2011, the cost-efficiency initiatives were strategically implemented and had fruitful results, with the best safety performance achieved in the 46-year history of Rössing.

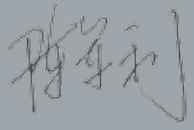
Since the majority share acquisition in 2019, Rössing has contributed significantly to Namibia's economic growth, in terms of fighting effectively with COVID-19, the operation has also steadily improved, with certain technical innovations put in place, the fully implemented business integration corporate culture which focused on the repacked values of Coordination, Responsibility, Innovation, Safety ("CRIS") and the great performance in the social responsibility sphere.

Thanks to the joint efforts, the revitalised 46-year-old Rössing has the following development target of sustainability of growth, which needs more support and resources from all staff and stakeholders.

As the year 2022 begins, the world situation is in flux, with black swan events emerging one after another, one can discern a build-up in short-term risks that are threatening Rössing's prospect. As the majority shareholder, we hope that the management can identify risks to the maximum extent, and take timely and effective measures to mitigate the negative impact of significant consequences.

Rössing should remain committed to pursuing sustainable growth and working hard towards meeting the expected production and cost targets in a safe and efficient manner and keep on strengthening the internal management and continue with the Phase-4 feasibility study to reach greater heights together.

I am very confident that with an excellent management team, a highly motivated workforce and strong support from all stakeholders, Rössing Uranium certainly will embrace a brighter future.



Junli Chen
Chairman of China National Uranium Co., Ltd.

"Since the majority share acquisition in 2019, Rössing has contributed significantly to Namibia's economic growth."

ABOUT RÖSSING URANIUM

This report aims to give readers an overview of the activities of Rössing Uranium Limited (Rössing Uranium) from January to December 2021, including our interaction with society, the economy and the environment.

The report offers locally relevant information about our business and aspects raised during the year. We believe in open communication and transparency, and simultaneously instill a culture of sustainable development throughout our company.

We believe in open communications and transparency, instilling a culture of sustainable development.

We would appreciate your feedback on the content of this report. You can send us a text message to Tel. +264 81 143 3627; send an e-mail to RUL.communications@rossing.com.na; contact us via our website at www.rossing.com, or phone the Communication section on Tel. +264 64 520 9111.

A great success to share

OUR HISTORY

History

Uranium was discovered in the Namib Desert in 1928, but it was not until intensive exploration in the late 1950s that much interest was shown in the area. After discovering numerous uranium occurrences, mining company Rio Tinto secured the rights to the low-grade Rössing deposit in 1966. Ten years later, in 1976, Rössing Uranium, Namibia's first commercial uranium mine, started production. In 2019, China National Uranium Corporation (CNUC) acquired the majority shareholding in Rössing Uranium.

Today

Today, Namibia has two significant uranium mines (Rössing Uranium and Swakop Uranium, after the Langer Heinrich Uranium mine was placed on care and maintenance during 2018), which together provide 12 per cent of the world's uranium oxide output; in 2021 Rössing Uranium produced 5.1 per cent of the world's output. In 2021 Rössing Uranium celebrated 45 years of production.

Our capacity

The mine has a nameplate capacity of 4,500 tonnes of uranium oxide per year and, by the end of 2021, had supplied a total of 142,908 tonnes of uranium oxide to the world.

Our location

The mine is located 12 km from the town of Arandis, which lies 70 km inland from the coastal town of Swakopmund in Namibia's Erongo Region. Walvis Bay, Namibia's only deep-water harbour, is located 43 km south of Swakopmund.

The mine site encompasses a mining licence and accessory works areas of 129.79 km^2, of which 25 km^2 is used for mining, waste disposal and processing.

Current operations

Mining is done by blasting, loading and hauling from the open pit before the uranium-bearing rock is processed to produce uranium oxide.

The open pit currently measures 3.5 km by 1.5 km and is 390 m deep.

Our stakeholders

This report is aimed at all our partners and stakeholders who include private citizens and their communities, as well as non-governmental organisations, small-scale enterprises, and multinational corporations. Thus, the benefits of our operations are felt locally, nationally, across the African continent and internationally.

Johan Coetzee

Managing Director

MD'S REPORT

DEAR STAKEHOLDERS

Welcome to Rössing Uranium's Report to stakeholders 2021. This report explains our mining operations and the approach we take in what we do. It also outlines how we performed in 2021 as measured against our key drivers.

> "Namibia has surpassed both Australia and Canada in 2021 to become the world's second largest primary producer of uranium oxide."

As the world adapts to a 'new normal' in terms of learning to live with COVID-19, Rössing also had to adapt to working smarter and more efficiently. This enabled us to increase production, despite the challenging circumstances.

We mined 20.7 million tonnes of material (7 per cent more than 2020) of which 10.0 million tonnes was ore (9 per cent more than 2020) with waste and low grade ore being 10.7 million tonnes, and 0.2 million tonnes of waste was dumped in the pit. In total, we produced 2,882 tonnes of uranium oxide, which is 393 tonnes more than the 2020 production.

Our production, together with the production of Swakop Uranium, meant that Namibia has now surpassed both Australia and Canada to become the world's second largest primary producer of U_3O_8, after Kazakhstan, which continues to dominate the market from a supply side. This is indeed a milestone for Namibia.

LIFE-OF-MINE EXTENSION

In 2020, the Rössing Board of Directors approved funds to complete a bankable feasibility study for extending the life-of-mine beyond 2026. This is underpinned by a north-eastern extension of the open pit, referred to as the Phase 4 push-back, which can provide sufficient ore to continue production for another ten years.

To conduct the feasibility study, the project team had to obtain market information for benchmarking and modelling purposes to arrive at the most cost-effective scenario for an extension approval.

A major milestone for the LoME project was realised in July 2021, with the Ministry of Mines and Energy's extension of the Rössing Mining Licence (ML28) by 15 years to July 2036.

The LoME project will inform an investment decision by the end of 2022 that must consider several aspects, in addition to the pit expansion. These include an extension of the Tailings Storage Facility, as well as the Processing Plant and infrastructure upgrades required to sustain production beyond 2030.

SAFETY PERFORMANCE

Confirming our commitment to working safely and achieving zero harm, we are proud of our safety performance in 2021, as we achieved an All-Injury Frequency Rate (AIFR) of 0.29 against a target of 0.51. This is the best performance the mine has recorded in the past 15 years. 2021 was also a year free of fatalities, permanent disability injuries and significant process safety incidents.

This is a commendable performance and a significant improvement in our drive towards zero harm.

LOOKING AHEAD

2022 will be an important year, as many activities will take place as part of the LoME project. A key activity on the mining side will be diamond drilling to improve confidence in the resource model and confirm metallurgical characteristics of the Phase 4 ore.

A study will also be done to confirm the impact of blasting closer to existing mine workshops that will be affected by blast vibration and fly-rock. A positive outlook in the uranium price supports the chances of getting Board approval for this project, and thereby securing our future beyond 2026.

The Rössing Board and CNUC have demonstrated their confidence in us to execute the business' long-term strategy by approving our proposed operating budget and capital plan for 2022, with commitment for increased technical support from CNUC. It is crucial that the Rössing team uses the successes and lessons learned this year as a foundation to achieve the budgeted production targets safely, efficiently, and cost effectively. This will contribute tremendously to further building credibility in our capability to extend the life of mine after 2026.

IN CONCLUSION

A word of appreciation is extended to the Minister of Mines and Energy, Hon. Tom Alweendo, for his unwavering support. I would also like to thank our employees for their hard work, positivity, and resilience during the year.

Thank you to all our stakeholders for their interest in our business. Please feel free to contact us for any comments or inputs to improve our annual report to you.

Johan Coetzee
Managing Director
30 April 2022

MANAGEMENT TEAM

Rössing Uranium's leadership team consists of the Managing Director and five General Managers in charge of the five focus areas of our business. They are all experienced in their respective fields.

From left to right: Shangxiong (Andy) Gao: General Manager: Commercial and Marketing; Shaan van Schalkwyk: Chief Financial Officer; Johan Coetzee: Managing Director; Edwin Tjiriange: General Manager Asset Management and Projects; Liezl Davies: General Manager: Organisational Services; Rodney Khoeseb: Acting General Manager Operations.

PURPOSE STATEMENT AND VALUES

Our purpose statement

To be a safe, responsible and efficient producer and supplier of uranium to the global nuclear industry, creating maximum return for shareholders and benefits to stakeholders.

Our values

Safety

We take care

We comply to the systems and standards in place that supports our priority to safety, health and the environment.

We strive to eliminate hazards to achieve zero harm at all cost.

We commit to provide products and services of high quality that are safe and reliable to our customers.

Responsibility

We create maximum value

We aim to deliver sustainable growth of our employees and the company together for a better future, while maintaining the highest level of integrity and governance in our actions and interactions.

We are committed to create maximum value for our shareholders through ethically sound and legally compliant business practices.

Our decisions are founded on the benefits to our communities and other key stakeholders.

Innovation

We seek excellence

We create an inclusive environment for our employees that advocates innovative ideas.

We have platforms that welcomes innovation across all levels of the organisation.

In pursuit of excellence, we aim to have world-class technologies and management systems in our operation.

Coordination

We achieve together

We closely coordinate with our internal and external stakeholders to work together effectively and ethically.

We truly respect and support each other to make the most of everyone's contribution.

We have the courage and the commitment to do what is right and not what is the easiest to achieve win-win results.

Our values form the foundation of our business.

2021 AT A GLANCE

2,882 tonnes

20.7 million tonnes

6% lower revenue

N$193 million profit

0.29 AIFR

Extending LoM

N$6 million

Production of uranium oxide

Production of uranium oxide for the year was 2,882 metric tonnes compared to 2,489 metric tonnes in 2020.

Tonnes mined and ore milled

A total of 20.7 million metric tonnes were mined from the open pit (2020: 19.4 million metric tonnes) and 9.6 million metric tonnes of ore were milled (2020: 8.7 million metric tonnes)

Revenue

Revenue was lower than 2020 by 6 per cent, with 11 per cent increase in sales volume year-on-year. Total revenue amounted to N$4.26 billion compared to N$4.52 billion in 2020.

Profit for the year

Net profit after tax from normal operations amounted to N$193 million compared to N$443 million in 2020. The impact of the exchange rate, combined with cost pressure, resulted in this reduced net profit.

All-injury Frequency Rate

Confirming our commitment to achieving zero harm, our safety performance improved in 2021. An All-injury Frequency Rate of 0.29 was achieved, against a target of 0.51. This is the best performance the mine has recorded in the past 15 years. No fatalities, permanent disability injuries or significant process safety incidents were recorded in 2021.

Life-of-Mine Extension project

Funds were made available to conduct a feasibility study to extend the life-of-mine beyond 2026, the current life-of-mine. A project team was appointed to conduct the study, which will be completed by middle of 2022. The LoME project will inform an investment decision by the end of 2022 that will consider several aspects, such as the extension of the current open pit and the Tailings Storage Facility as well as the Processing Plant and infrastructure upgrades.

Investment in training and development

In 2021, a total of N$6 million was invested in internal training and development programmes. This figure includes all training initiatives carried out as part of capacity development.

OUR SUSTAINABLE DEVELOPMENT APPROACH

Focusing on issues that matters most

Sustainable development is the distinct, significant and characteristic centre of our overall approach to business. Driving the integration of sustainable development at Rössing Uranium are the six sub-themes highlighted below. These themes form the framework on which our business is conducted.

Everything we do is in line with the generally accepted definition of sustainable development, namely development that meets the needs of the present without compromising the ability of future generations to meet their needs.

This suggests that meeting the needs of future generations depends on how well we balance social, economic and environmental needs when making decisions today.

The aim of sustainable development is therefore to seek out win–win situations that can achieve environmental quality and increase economic wealth and social well-being, today *and* tomorrow.

01 Economy

Economic viability

To provide the best returns on our shareholders' investment, we need to understand the long-term demand for our product, as well as the cost, resource availability and value creation associated with that demand. Economic viability also ensures that we continue to make significant contributions to Namibia's economy and her people in various ways

02 Product and Environmental Stewardship

Product Stewardship

Product stewardship focuses on expanding our understanding of the impact of our product on society by working with all interested and affected parties.

Environmental and Asset Resources Stewardship

We aim to be the leader in environmental stewardship in Namibia and to maintain our reputation as a responsible corporate citizen. This can be achieved by understanding and appreciating our natural resources, both biotic and abiotic, utilising them sustainably, and creating a net positive impact.

03 Governance

Corporate governance and compliance

We strive to be transparent and proactive in all our business operations. To this end we have auditable business systems in place, which form the backbone of good corporate governance.

04 Social

People

Our workforce is central to our business. This means ensuring a safe and healthy workplace geared for human resource development to attract and retain employees, while maximising our contribution to their well-being.

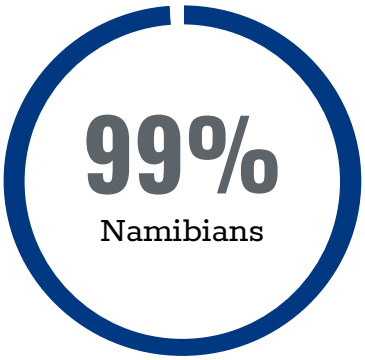
Communities

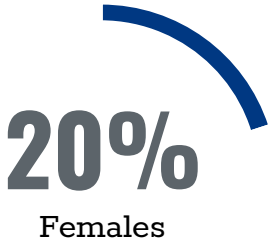
We implement long-term community development plans to focus on improvement in quality of life, as operating within a sustainable community provides our business distinct benefits, and an important part of that is good community relations.

THE CORE OF OUR ACTIVITIES

OUR PEOPLE

Human Resources activities





Our people are the most important asset of our business. To sustain and expand our operations, we need a safe, healthy, and engaged workforce.

Aspiring to be an employer of choice, Rössing Uranium provides long-term and rewarding employment by investing in our people throughout their careers. We believe that through employment creation we are making significant contributions to society and the Namibian economy and contribute positively to our partnerships with local communities and other stakeholders.

We recognise the importance of attracting, developing, and retaining people with diverse backgrounds in our business and realise the benefits of developing the skills of others. It is the mandate of the Training and Development section to see that this commitment is demonstrated and aligned to Rössing's needs and objectives.

We understand that our operational environment may be hazardous, and for this reason the identification and management of material risks are crucial in our business approach. We consistently strive to create a zero harm working environment, regardless of where our people work or what type of work they are engaged in.

Workforce at a glance

At the end of 2021, Rössing Uranium had a workforce totalling 943, consisting of 919 permanent employees including expatriates and 24 fixed-term contractors (FTCs) compared with 955 at the end of the previous reporting year. The average number of contractors at the mine increased from 645 to 712.

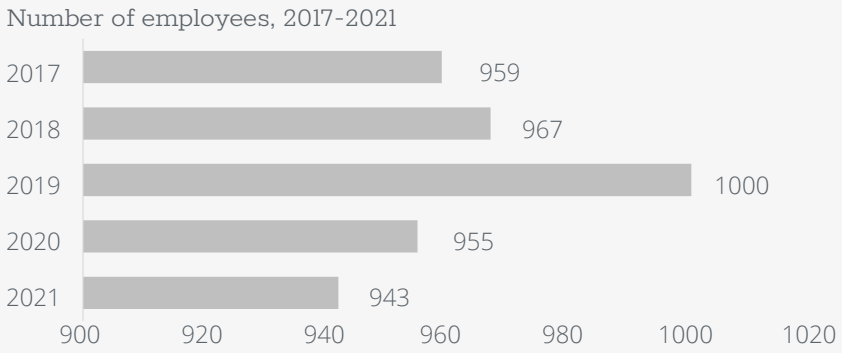
Employee relations

The industrial climate and relationship with the Mineworkers' Union of Namibia has improved significantly. No strikes or demonstrations were experienced in 2021. Communication structures and platforms have been restored and are being fully utilised.

Two wage agreements were concluded in 2021, inclusive of a two-year wage agreement for 2022 to 2023. Some disputes were resolved internally and withdrawn. The current Branch Executive Committee is supportive of constructive engagement.

During the third and fourth wave of the COVID-19 pandemic, operational and services staff were required to work on site. Departments managed their employees through a rotational schedule to maintain minimal staff on site, whilst others were required to work from home. No additional payments were made as a result hereof.

OUR WORKFORCE



Statistical information on our workforce, 2021

- Namibians, including FTC: 98.83 per cent (932)
- Non-Namibians, including FTC: 1.17 per cent (11)
- Female representation: 20 per cent (189)
- Number of employees who left the mine's employment: 49
- Number of new employees recruited: 39
- CNUC secondees: 4 (These secondees are seconded to Rössing for the purposes of reporting and representing the interests of the majority shareholder.)

We need a safe, healthy and engaged workforce.

Workforce profile

Workforce profile	2017 (%)	2018 (%)	2019 (%)	2020 (%)	2021 (%)
Historically disadvantaged Namibian men	77.0	78.0	77.6	77.1	76.0
Historically disadvantaged Namibian women	16.3	16.1	16.6	17.3	18.6
Previously advantaged Namibian women	1.4	1.2	1.2	1.2	1.4
Previously advantaged Namibian men	3.6	3.0	3.3	3.2	2.5
Non-Namibian men	1.4	1.4	1.2	1.0	1.1
Non-Namibian women	0.1	0.2	0.1	0.1	0.1
Persons with disabilities: men	0.2	0.1	0.0	0.1	0.3
Persons with disabilities: women	0.0	0.0	0.0	0.0	0.0

Training and development

To achieve our people-development objectives, we support a blended approach to learning, and therefore have introduced an online learning platform.

Rössing's training and development strategy focuses on re-skilling, upskilling and building capabilities across the company to enable the workforce to deal with the increasing challenges in the business environment, as well as the complexity of the new technology and business improvement initiatives being introduced.

Our learning and development strategy focuses on upskilling and capacity building of the workforce. During 2021, our focus was on safety, licences to operate, and compliance training.

A total of 129 mining operators received re-certifications on their licences to operate, whilst 108 plant operators received process safety and compliance training. Thirteen electricians were trained and received certification in medium voltage operating authorisation, and four mechanical engineers received the approved inspection authority certification from the Minister of Labour, Industrial Relations and Employment Creation.

To align with our business strategy in terms of driving business results in a safe, efficient, and cost-effective manner, we have rolled out the Business Integration workshops, focused on our revised values and business strategic direction. A total of 884 employees have participated in the workshops.

People supported by Rössing Uranium in internal training and development programmes

People supported by Rössing Uranium — 2017 to 2021: Number of participants in training and development programmes

Nature of participation	December 2017	December 2018	December 2019	December 2020	December 2021
Trade job attachments	30	30	30	10	15
College/university bursaries	10	8	8	3	1
College/university attendants outside company bursary schemes	2	0	0	0	0
Employees enrolled at a technical college (full-time studies)	0	0	1	1	0
Employees enrolled at a college/university (full-time studies)	3	2	0	0	0
Employees involved in correspondence programmes	19	34	34	24	28
Employees enrolled in the leadership development programme (in-house)	0	58	25	25	0
Rössing Uranium dependant scholarships awarded	34	28	26	35	17
Employees in limited-contact studies in various fields	3	1	2	2	0
Total number of participants	**101**	**161**	126	100	61
Training programme costs — this figure includes all other training initiatives carried out as part of capability development	**N$8.5 million**	**N$6.9 million**	**N$5.8 million**	**N$5.0 million**	**N$6.0 million**

Training and development programmes

Graduate Development programme

Our graduate programme is a valuable bridge between university and working life and it aims to develop technical competencies over a period of 24 months. For the period under review, we employed seven graduates, of which four successfully completed their programmes.

Educational Support

Financial support was provided to 28 full-time employees to obtain either a undergraduate or postgraduate qualification. Seventeen dependants of our employees received financial assistance through our educational assistance programme, which provides children of permanent employees and pensioners (including disability beneficiaries) an opportunity to further their education at an accredited institution or at a vocational training centre.

Vocational Education and Training Levy

Rössing has participated in the Vocational Education and Training Levy submission since inception and has paid N$8.1 million for the 2021 Training Levy cycle.

A total of 15 trade apprentices completed their job attachment as part of their tertiary curriculum, during which they were exposed to on-the-job learning within their various disciplines. Further opportunities to support trade apprentices will continue during 2022.

Four graduates were employed who completed their programmes.

Rössing provided financial support to full-time employees.

Fifteen trade apprentices completed their job attachment.

Further opportunities to support employees and trade apprentices will continue.

Market overview: 2021

MARKETING OUR PRODUCT

During the first seven months of 2021, the spot uranium price oscillated around USD30 per pound. However, with the introduction of the Sprott Physical Uranium Trust (SPUT) to the market, spot prices fluctuated significantly in the last four months of the year.

Market overview

The explosion of activities led by SPUT helped propel the total 2021 annual volume to set a record of over 101.8 million pounds U_3O_8 equivalent, and the spot price hit a nine-year high when it peaked at $50.50 before retreating to end the year at $42.00, approximately 40 per cent higher than its position at the start of the year.

The increased spot activity, as well as the global focus on climate change, seems to have also impacted the overall long-term contracting volume, which increased by over 42 per cent from 2020's 49.5 million pounds to 2021's 70.5 million, according to industry consultants UX Consulting.

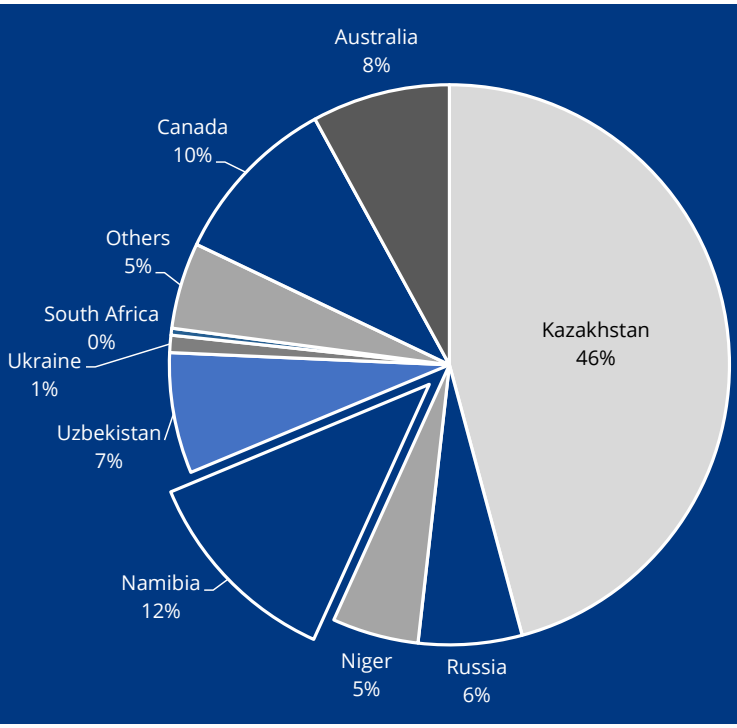
In terms of primary production, Namibia has surpassed both Australia and Canada to become the second largest primary producer of U_3O_8 globally, after Kazakhstan, which continues to dominate the market from a supply side. (Source: UX Consulting)

In 2021, Namibia has surpassed both Australia and Canada to become the second largest primary producer of U3O8 globally.

WORLD PRODUCTION

World primary production of uranium oxide, 2021 (%)

Source: UX Consulting



Market outlook

We remain optimistic about the role uranium will play in the future energy mix, with nuclear energy being able to provide consistent base-load, as opposed to many other renewable energy sources.

According to UX Consulting, there are now 438 operable units with roughly 392 GWe in capacity in 33 countries, as of early December 2021. Under their Base Case scenario, it is anticipated that global nuclear energy will reach 33 countries with 476 reactors (~444 GWe net) in 2030, and 37 countries with 500 reactors (~480 GWe net) in 2035.

In the forecast scenario, most of the growth by 2035 is anticipated to come from Asia (especially China); however, sizeable nuclear gains are also envisioned in Eastern Europe, Africa, and the Middle East.

While the spot price increased by 40 per cent during 2021, it must be recognised that this is off a very low base and therefore only the continuation of this trend would justify new uranium development projects, as well as bringing some projects currently under care and maintenance back into operation.

Marketing our product

In 2021, Rössing produced 6.4 million pounds U_3O_8. A total of 1.5 million pounds were shipped to western converters and sold to customers in North America, Asia (excluding China) and Europe, the Middle East and Africa (EMEA).

A total of 4.6 million pounds were shipped to China and sold to CNNC, while an additional 0.6 million pounds were sold in the spot market, capitalising on the sudden price spike towards the end of the year. Rössing continued to benefit from the contractual sales prices in its historical contract portfolio, as well as the beneficial CNNC off-take agreement to sustain the operation.

Several major capital projects and programmes were completed or have been substantially completed, such as the leach tank programme and the additional water reservoir capacity, which will enhance the resilience of the operation and improve its ability to deliver on its contractual obligations, maintaining our 100 per cent track record in this regard.

With the focus moving to technological improvement, life-of-mine extension and continued cost reduction, the marketing team will further strengthen the communication with potential buyers of uranium and try to commit more sales on the market, adding to the longer-term sustainability of the operation beyond 2026.

OUR OPERATIONS

Our attention is directed towards creating shareholder value and maintaining a secure and viable business, as well as ensuring that we remain a long-term contributor to Namibia's economy.

Rössing Uranium's operations consist of two distinct activities: the first is mining uranium-bearing rock, while the second is processing this ore into uranium oxide for the world's nuclear energy market, which fuels the generation of electricity.

The uranium located in our mining licence area is embedded in very hard and abrasive granitic rock, known as alaskite. To mine the necessary volume of ore and waste, the mine must conduct blasting operations regularly.

Electric and diesel-powered shovels load uranium-bearing rock onto haul trucks, which transport the ore to the primary crushers for the first stage in the crushing process. From there the crushed ore is conveyed to the coarse ore stockpile, where it is reclaimed and put through additional crushing stages in the Fine Crushing Plant before the processing stage of operations begins.

Mining operations

During 2021, we mined 20.7 million tonnes of material (7 per cent more than 2020) of which 10.0 million tonnes was ore (9 per cent more than 2020) with waste and low-grade material being 10.7 million tonnes, equating to a strip ratio of 1.07.

The strip ratio is expected to drop significantly going forward as the pit gets deeper. A higher-than- planned crushed production of 9.6 million tonnes (10 per cent more than 2020) and a 6 per cent improvement in plant feed grade allowed the mine to achieve 16 per cent higher uranium production for the year.

The Mining Operations department embarked on a manpower ramp-down process to align employee numbers with the lower expected mined tonnes for the remainder of life-of-mine. This resulted in 42 operations and technical employees being redeployed, with those having artisan qualifications given the chance to attain the practical experience required to achieve full qualifications, while other employees moved to the other departments on the mine.

COVID-19 continued to have some impact on operations. However, employees in the mining teams are commended for adhering to the controls and maintaining adequate turnout to achieve target production.

With regards to health and safety, there were incidents of injuries within the mining teams that dented the productive mood, which nevertheless provided learning opportunities for leaders and employees.
Actions to mitigate future potential incidents included improvements to engineering controls for pit vehicles and refresher training on manual handling.

Rössing Uranium's open pit.

The fatigue system was installed on all haul trucks and large water carts, resulting in a few employees receiving assistance with fatigue-related issues.

On the dust control side, the implementation of the pit-bottom water-pumping system resulted in a significant decrease in overall dust and a reduction of the risk of driving the water carts for long distances down-ramp. The latter project also allows us to de-water the pit bottom ahead of operations in the next few years.

Also notable was the design and execution of waste dumping within the pit limits, resulting in a significant reduction in diesel expenditure and related emissions.

In the technical space, there was an upgrade of the pit-control system to Dispatch 6; the introduction of down-hole radiometric grade measurement; a review of the mineral deportment and extractability of ores in the current pit and a potential Phase 4 push-back; and geotechnical and resource drilling to collect relevant information for the Phase 4 push-back. There were also upgrades to the mobile diesel-electric power generator (known on site as the motivator) and additional "scanner frame style" cable bridges to ease the burden for pit employees when moving electrical equipment.

Processing operations

The Processing Plant is responsible for the extraction of uranium from mined ore through several stages to produce uranium oxide (U_3O_8). This product is securely packed and shipped to our customers for further conversion. The aim of the plant is to produce targeted quantities of uranium oxide in the most efficient and safe manner possible.

In 2021, we exceeded the milled production target by 5 per cent, as we milled 9.6 million tonnes of uranium bearing ore. We drummed 2,882 tonnes of uranium, which is 393 tonnes more than the 2020 production.

The Processing Operations department recorded zero 'all injuries' for 2021.

Our focus in 2022 will be on innovation and capability enhancement to implement cost improvement initiatives, with emphasis on reagent consumption and extraction efficiencies.

ENGINEERING PROJECTS

A total of 48 engineering projects were undertaken during 2021, of which four are discussed below.

Increase of water storage capacity

The project to increase water storage capacity was approved for execution in 2020. This project is aimed at minimising production outages because of the unavailability of fresh water. A total of six glass-fused-to-steel-bolted tanks were constructed. Each tank size is 41,27 m in diameter and 8,4 m in height with a capacity of 10,000 m^3. The project results in a total increase of 60,000 m^3 to compliment the storage capacity that is provided by NamWater's reservoirs.

Construction work was performed by a local contractor who was responsible for all the on-site construction activities. The construction work started in May 2021. Substantial earthwork preparation was needed, and this included both the tanks area, the pipeline route, as well as the pump station.

The concrete foundation for the first tank was completed in early July 2021, which was an important milestone for the project, as it paved a way for tank-shell construction to start. The assembly of the tanks started in early August 2021 and continued for six months to complete all the tanks. Some interesting facts about the project:

- Total number of contractor employees for the duration of the project: 100
- Total amount of concrete used: 4,423 m^3
- Reinforcement: 508 tonnes of steel
- Tanks (Glass-Fused-to-Steel Sheets): 903 tonnes of steel
- First water into Tank 1 & 2 – 29th October 2021
- New tanks supplied the mine with fresh water during a planned plant shutdown at the desalination plant when NamWater water supply to the mine was interrupted.

Replacement of Roaster 2

The Rössing Processing Plant makes use of roasters in the final processing of uranium. There are two roasters (multiple-hearth furnaces) that are used to roast the yellow cake uranium product. These units have been operational for over 45 years, and because of wear and tear, they have reached their end-of-life and therefore need to be replaced.

A structural integrity assessment was done on both roasters, the result of which guided the short- and long-term asset management strategy on the roasters. The replacement of Roaster 2 was prioritised, after which Roaster 1 will be the next one to be replaced. Mitigation measures were also put in place to ensure that the business is not at risk while the replacement strategy is being executed.

The Roaster 2 replacement project was approved for

The project results in a total increase of 60,000 m^3 water capacity.

The six water storage tanks were completed in 2021 and will increase the mine's water storage capacity with 60,000 m³.

execution. The replacement includes the installation of a new roaster, which includes a roaster structure with refractory, burners, and a control system.

The new roaster has been procured and was delivered to site in November 2021. The project is in execution phase and the following has been done so far:

- Procurement and supply of Multiple Hearth Furnace, burners, refractory and control system,
- Civil works for the new roaster structure and Motor Control Centre in progress,
- Steel works for the roaster structure in progress for the placement of the new roaster, and
- Control system design and hardware supply nearing completion.

Wire-meshing of Haul Road 21

Rock-fall hazards were identified on a section of the high-wall above Haul Road 21 in the open pit. The area is affected by geological structures and blast back-break on the structures, resulting in the presence of fractured blocks and loose rocks on the high wall. Attempts were made to remove the fractured blocks during scaling of the high wall, which at times included secondary cleaning by creating access on the blasted muck pile; however, not all the blocks could be removed.

To mitigate the risk, a capital project was approved for execution. The project involved the installation of drape wire meshing on the identified area. The design concept used for the Haul Road 21 high wall is an unsecured system with anchoring only along the top. This allows rock-fall to occur between the rock face and the mesh and controls the trajectory into a containment area at the base of the high wall. This project was completed in November 2021.

Replacement of Rodmill 2 Shell

The mine's plant operates four rodmills during the ore-grinding process at the milling plant — two mills on each production line are operated concurrently. Thickness tests conducted on the Rodmill 2 shell showed increased wear on the shell-plate discharge end. The shell thickness was found to be below the expected healthy thickness, and a replacement project was approved for execution.

The shell with its auxiliary critical components were replaced, and the mill was commissioned back into operations in August 2021.

Process safety management

Process safety management (PSM) is a systematic approach of controlling the unwanted release of hazardous substances, process solutions, or fires and explosions that have the potential to significantly impact the health and safety of employees, the environment, or the business.

The four process safety hazards managed at Rössing are:

- anhydrous ammonia gas,
- concentrated sulphuric acid,
- fire in the solvent extraction and Final Product Recovery Plant, and
- engulfment due to large processing tank failures.

In 2020, Rössing rolled out an improvement project in the PSM section, which was completed in 2021. A process safety specialist consultancy team assisted the company in identifying shortcomings in the current control strategies of the two main process safety hazards: anhydrous ammonia and concentrated sulphuric acid. A total of 115 improvement actions were logged, of which 93 have been completed. The remaining actions will be completed in the first part of 2022.

The process safety improvement project was not just a success in the PSM section, but also in the other departments in Rössing. In the training department, e-learning courses were developed in process safety management and in pressure vessel statutory testing.

The engineering department benefited through the in-house approved inspection authorities that have been identified to be trained on-site and were signed off by the Chief Inspector of the Ministry of Mines and Energy.

During the reporting year, the PSM standard has been reviewed and amended and an audit protocol developed. A third-party audit is planned for the third quarter of 2022.

Leonard Petrus Kadhikwa, Human Resource Officer at a sign indicating that no personal protection equipment is needed in that area of the mine site.

Information technology

There were several smaller focus areas in 2021 to improve business controls. Visibility of information to assist with better decision-making was one of the focus areas of 2021. These initiatives will assist in the more efficient use of resources, post implementation.

An achievement was the empowering of leaders to understand their teams/employees' attendances and productivity. Following the successful implementation of the SAP Time and Attendance system, critical findings from the benefits tracking analysis identified various key performance indicators (KPIs) to improve on. Plans were developed to address each of these areas. Several leadership dashboards have been developed to assist leaders with monitoring these KPIs.

The second achievement was the Business Intelligence (BI) analytical dashboard that was developed with regards to light vehicle KPIs, which includes elements such as tyre cost and tracking, battery cost and tracking, service cost and fuel consumption. This project was done as a proof of concept. The BI tool and process will be expanded in future years to include other business reporting areas such as contractor spend, and a time and attendance dashboard, among others.

Further improved controls have been implemented in the SAP Enterprise Resource Planning system on the following business processes:

- Service invoice acceptance: new controls will restrict acceptance to the specific cost centre owner or the manager.
- Stock reservations: release strategy has been implemented on stock reservations to improve control on maintenance cost of stores items. The delegation-of-authority values apply. This will assist to stop the unnecessary reordering of maintenance parts.
- Non-stock and service purchase requisitions: a new release strategy has been implemented. The approval of a purchase requisition will be on the total order value, no longer on each individual line item, which will enable approvers to see the total cost impact. The total order value cannot differ from the total requisition value. A few smaller controls have also been added to give the cost accountants more visibility before the requisition is approved. All consultancy requisitions have to be approved by the Managing Director.

Increased cyber security risks have prompted Rössing to commence a focused project to improve its cyber-security framework and strategy.

Looking forward:

An important focus area for 2022 is the improvement of the control of information on contracts (especially service contracts) and contractor management. This will aim to improve the control and visibility over contract spend and non-contract spend.

A business case will be developed for the implementation of a time-and-attendance system on contractors. The same KPIs which were defined for the employees will apply to contractors, improving the visibility and control over contractor-related labour cost, including areas such as double charging for the same person, overtime charges, the number of contractors on site, absenteeism management, and mitigating compliance risks from fatigue management.

The CCTV improvements planned for 2021 did not materialise. The sourcing process has brought new interested parties into the mix and they will be presented to the tender board for selection during 2022. An aggressive implementation plan should be developed with the preferred supplier.

Better document management policies will be defined to ensure the secure and controlled storage, retrieval and archiving of vital business electronic and paper base documents. The 'Sharepoint' document management system is already in use, but the guidelines presented from the policy need to be applied.

Life-of-Mine Extension (LoME) project

In 2021, the Rössing Board of Directors approved funds to complete a bankable feasibility study for extending the life-of-mine beyond 2026. This is underpinned by a north-eastern extension of the open pit, referred to as the Phase 4 push-back, which can provide sufficient ore to continue production for another ten years.

A major milestone for the LoME project was realised in July 2021, with the Ministry of Mines and Energy (MME) extension of the Rössing Mining Licence (ML28) by 15 years to July 2036.

The feasibility study will inform an investment decision by the end of 2022 that must consider several aspects, in addition to the pit expansion. These include an extension of the Tailings Storage Facility (TSF), as well as Processing Plant and infrastructure upgrades required to sustain production beyond 2030. To pull everything together for an optimal solution, a dedicated project team, covering seven disciplines, was assembled to focus exclusively on LoME project activities until the end of 2022.

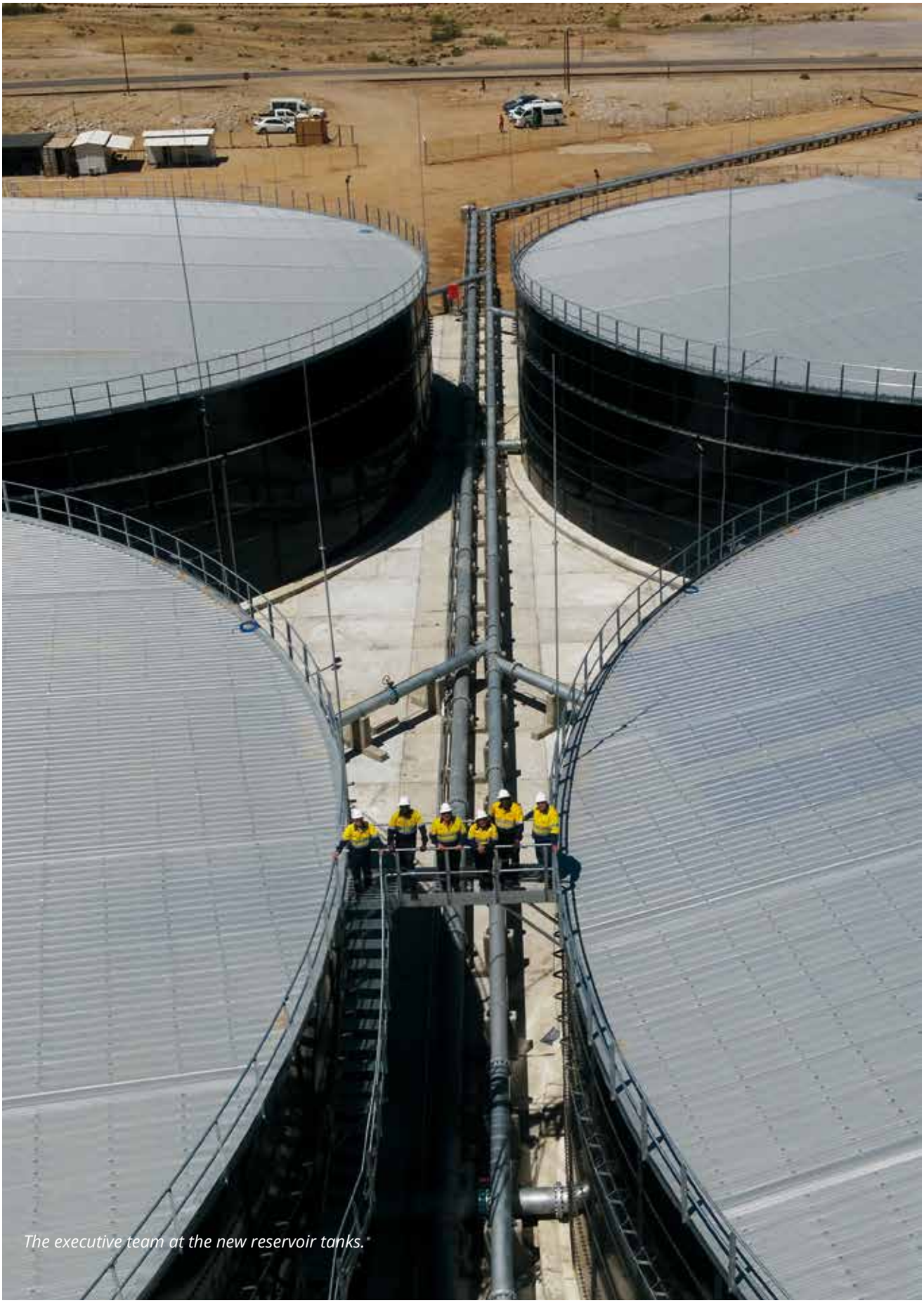
On the mining side, a key activity is diamond drilling to improve confidence in the resource model and confirm metallurgical characteristics of the Phase 4 ore.

The drilling will also test ground conditions to firm up the push-back design, notably the pit slope angle. A study is also required to confirm the impact of blasting closer to existing mine workshops that will be affected by blast vibration and fly-rock.

On the processing side, LoME will investigate the refurbishment or replacement of the existing plant, as well as considering new technology that has the potential to improve productivity and reduce costs.

Two such projects are the Horizontal Belt Filter (HBF) and Heap Leach (HL) technologies, which have previously been considered for Rössing.

Linked to all of this is a design for accommodating an additional ten years of leached ore (tailings) in a way that mitigates the additional impacts of a larger footprint.



The executive team at the new reservoir tanks.

OCCUPATIONAL HEALTH MANAGEMENT

We firmly believe that occupational disease and illness can be prevented, if risks are properly eliminated, managed, and controlled. Our occupational health, hygiene and wellness programmes are aimed at preventing ill health, but also promoting good health and well-being.

We identify and quantify health hazards to enable us to minimise exposure and prevent injury and illness that may otherwise develop.

In adherence to legislative requirements, as well as the risk based occupational health standards of Rössing, some of our key programmes include, but are not limited to:

- Noise exposure control,
- Workplace ergonomics management,
- Health and medical monitoring,
- Hazardous substances exposure control,
- Fitness for work, wellness and fatigue management,
- Occupational medical surveillance, and
- Occupational hygiene.

The mining industry and its activities are associated with various health risks to which the workforce might be exposed. Health programmes remain a focus area in which exposure monitoring and risk management and control are key components.

All workers are grouped into Similar Exposure Groups (SEGs) based on the areas they work in, similarity and frequency of the tasks they perform and the associated exposures of these. At Rössing we follow a risk-based monitoring strategy, for the respective SEGs, determined by annual reviews of the site risk register. During 2021, we monitored 15 of the 18 SEGs.

Occupational hygiene monitoring is conducted to evaluate the following: legal compliance; risks to the health and well-being of our workforce; effectiveness of risk mitigating controls, as well as the tracking of progress against our objectives and targets which are aligned with the Rössing management system and health performance standards.

To ensure that collected data is accurate, comparable and representative, statistical analysis and validation is conducted. Internal criteria are established to protect the health of the workforce, including contractors, and they are defined as occupational exposure limits (OELs). Non-conforming monitoring results are investigated through the incident management process and appropriate actions are developed and implemented.

Some of the harmful health risks and agents at our workplace include exposure to noise, dust (silica), musculoskeletal stressors and microbiological agents found in the water system.

During 2021, our occupational hygiene monitoring programme included measurements of noise and vibration levels, respirable dust (including crystalline silica quartz), welding fume and metals in dust, hydration testing and water-borne bacterium (Legionella) in potable water.

CNNC
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Working for Namibia

HSSEC Policy

Health, Safety, Environment and Communities

Excellence in Health, Safety, Security, Environment and Communities (HSSEC) management is one of the foundations of Rössing Uranium's vision to be the safest and most efficient, long-life uranium producer in the world. This is in line with our commitment to Zero Harm, corporate citizenship, social responsibility and sustainability.

- The protection of the health and safety of our employees, contractors, stakeholders and neighbouring communities.
- Operating our business with respect and care for both the local and global environment in order to prevent and mitigate residual pollution.
- Understand and manage the effects of our product through its entire life cycle.
- Work with integrity and be in full compliance with applicable legislation and industry best practice.
- Seek continual and sustained improvement in HSSEC performance to create a Zero Harm work environment.
- Identify and assess hazards arising from our activities and manage associated risks to the lowest practical level.








- Manage process safety hazards by ensuring critical controls are in place and functional to prevent any catastrophic event
- Enhance biodiversity protection by assessing and considering ecological values and land-use aspects in investment, operational and closure activities.
- Continue in our efforts to raise the awareness of HSSEC issues in our neighbouring communities.
- Regularly review our performance and publicly report our progress.
- Communicate our commitment to this HSSEC policy to all interested and affected parties.

In implementing this policy we will engage in constructive dialogue with our employees, contractors, neighbouring communities and all other stakeholders in sharing relevant information and responsibilities for meeting our requirements.

Johan Coetzee
Managing director
January 2021

Dust

Mining activities are synonymous with dust generation. Primary dust-generating operations include drilling, blasting, crushing, and the milling of mined ore, amongst others. The respirable fraction of the mineral dusts, such as rock, stone, and concrete, which in most cases are not visible to the naked eye, may reach the alveolar region of the lung (respirable), causing the most damage.

Chronic exposure to excessive dust concentrations may negatively impact workers' health and may result in, but not be limited to skin irritations and/or dermatitis, respiratory problems, and inflammatory lung diseases. The inhalation of dusts with specific elemental compositions, such as crystalline silica in the form of quartz, are well known to be highly detrimental to the human body and may result in permanently debilitating (and even fatal) diseases.

Respirable crystalline silica (RCS) samples were taken from SEGs with expected silica exposure. The occupational exposure limit of 0.1 mg/m^3 for RCS has been applied. None of the SEGs monitored exceeded the OEL for silica (see Figure 1), whilst Reduction workers and Laboratory workers recorded the highest RCS exposures.

Noise

Noise from machinery, maintenance activities and operational activities may put workers at risk of developing hearing impairment. Workers exposed to noise levels greater than the regulated occupational exposure limit of 85 dBA have an increased risk for developing noise-induced hearing loss, which is irreversible.

During 2021 eight of the 14 similar exposure groups that were monitored for noise, exceeded the occupational exposure limit of 85 dBA (see Figure 2). **The measured exposures do not consider the protection factor provided by the hearing protection devices in use.**

The graph below depicts the average annual personal noise exposures measured for the different SEGs in 2021.

The use of impact tools, maintenance activities, and general plant and equipment noise are the main sources of over exposure to noise at Rössing.

Figure 1: Average personal respirable silica dust exposures, 2021 (UCL1, 95% - Land's "Exact")

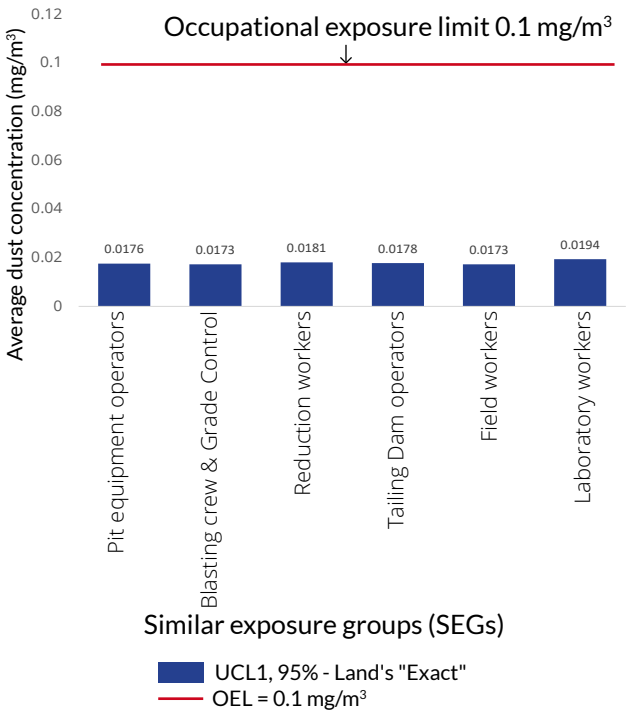
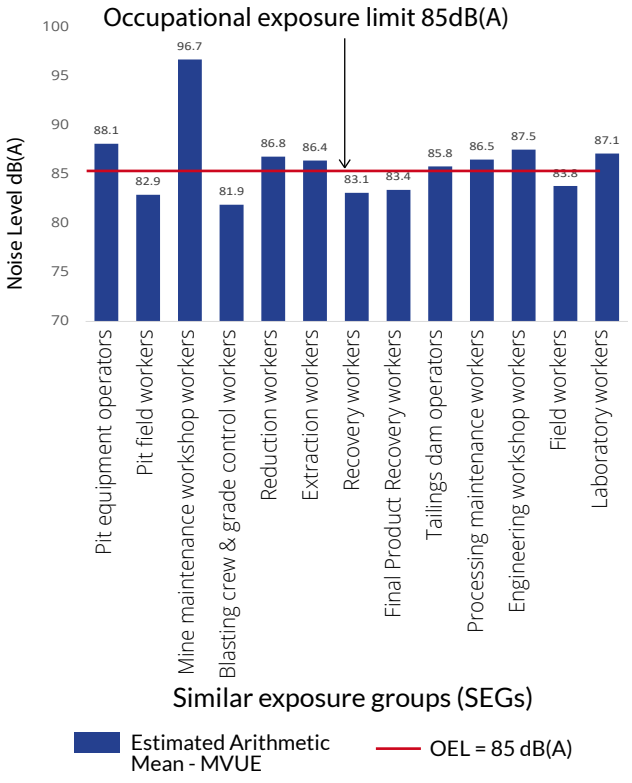


Figure 2: Average personal noise exposures, 2021 (Estimated Arithmetic Mean - MVUE)



Noise zoning is applied in high-risk areas, together with the application of customised hearing protection devices. In other areas disposable ear plugs or earmuffs are used.

Occupational medical surveillance

Occupational medical surveillance examinations provide baseline and periodic measurements to detect abnormalities in workers exposed to work-related health hazards early enough to prevent or limit disease progression through exposure modification or medical intervention.

A risk-based periodic medical programme is followed with consideration of the exposures of employees and contractor employees in different SEGs. These require employees and contractors to undergo pre-employment, periodical and exit medical examinations.

Other medical examinations during employment include transfer medicals and return-to-work fitness medicals. Through the mine's workplace wellness programmes, employees are encouraged to undergo additional medical screening tests to manage their own health and as a means of detecting chronic and/or life-threatening illness.

Wellness

Our workplace wellness programme is designed to encourage individuals to take preventive measures to avert the onset or worsening of an illness or disease and to adopt a healthier lifestyle, thereby enhancing work performance, productivity and individual quality of life.

A wellness calendar with monthly themes is developed annually. These include commemorating important international health days, monthly health topics shared amongst the workforce by the company's peer educators, and specific campaigns, among others.

Leonard Petrus Kadhikwa, Human Resource Officer, doing a drug test, administered by Emed Intermediate Life support, Filemon Shikongo.

During 2021 the main activities included:

- The annual Wellness Week in collaboration with the company's medical aid service provider where employees had the opportunity to participate in health screenings on site.
- Blood donation clinics held at the mine where a total of 156 units of blood were collected.
- Cancer awareness and fund raising that included a prostate screening clinic for men at the mine and fund raising for the Bank Windhoek Cancer Apple project.
- Alcohol and drug awareness with a focus on responsible drinking versus problem drinking, ending with a 30-day 'no alcohol' challenge for employees.
- Introduction of a COVID-19 Vaccination Barometer to measure progress towards herd immunity. A total of eight vaccination clinics were held on site during the reporting year.

SAFE OPERATIONS

During 2021, our operations made significant improvements across all key safety metrics.

Rössing strongly believes that all incidents, injuries, and occupational accidents are preventable, and is striving towards the goal of zero harm.

Rössing Uranium achieved a significant milestone with its All Injury Frequency Rate, which has reduced to 0.29 against a target of 0.51, the best performance the mine has recorded in the past 15 years. This was the result of increased rigour and focused implementation of our safety programmes across our operation, made possible by the leadership and ownership of our employees.

2021 was also a year free of fatalities, permanent disability injuries and significant process safety incidents. We consistently strive to create a zero-harm environment, regardless of where our people work or what type of work they are engaged in.

During 2021, the following highlights and ongoing initiatives took place to further our goal of zero harm:

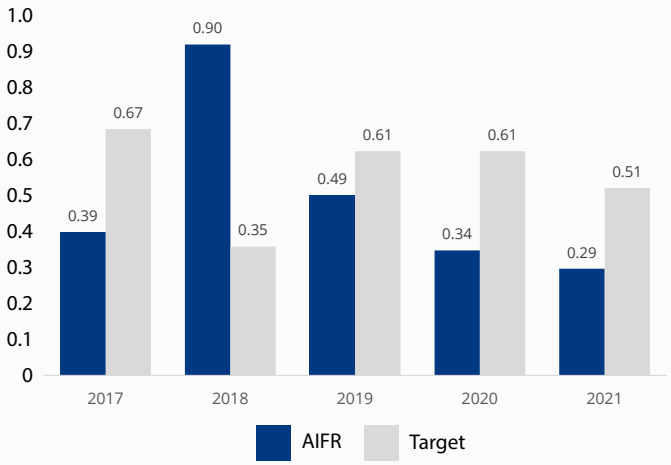
- Our near-miss reporting target was exceeded and continues an outstanding performance for the past ten years. Findings from the housekeeping competition and fixed-in-the-field Critical Risk Management actions are logged as near misses to ensure it gets investigated to prevent recurrence.
- Crew projects target exceeded in 2021. This is another milestone reached for the past seven years in the history of Rössing, with significant and notable improvements made in 2021.
- After a deep dive, Rössing identified an additional 25 pressure vessels, which were not on scheduled maintenance on SAP. This was immediately rectified, and they are now being scheduled for annual inspections.
- Rössing has invested in the training for AIA assessment of our engineers, and this was completed successfully.
- Statutory inspections on lifting equipment were prioritised as a key performance indicator. This was tracked monthly and reported on with added value to process.

(From left to right) Germina Josef, Sherwin Paulse and Lukas Nependa at mine's view point.

- A big drive was put into vehicle safety. To strengthen compliance to vehicles and driving, we rolled out a safety pause and sent out awareness messages on safe driving and driver behaviour. In support of this, a memorandum was sent out to create further awareness in general and in terms of the consequences for the non-compliance to road safety rules. To further strengthen compliance to traffic rules and speed limits, the mine procured a new speed camera in 2021.
- ISO 14001 second surveillance audit was carried out successfully in April 2021. Four minor non-conformances were reported. All non-conformances were closed off within the time-frame, and Rössing retained its certification.
- ISO 45001 certification audit was carried out in January 2021 with three minor non-conformances reported. Rössing was recommended for certification and received certification in this discipline.
- The annual Health, Safety and Environmental Legal Review was carried out and the report was received with one minor observation, which was fixed immediately.
- First Party Assurance Dashboard was successfully maintained.
- Monthly tracking of due diligence inspections has resulted in improved compliance with quality checks being done randomly. There is still opportunity for improvement in this regard to ensure compliance at all levels.
- The housekeeping competition delivered good results for 2021 and will be further improved and sustained in 2022.

The graph below depicts the AIFR for the past five years, from 2017 to 2021. Achieving zero harm requires absolute adherence to policies, standards, and procedures intended to protect employees from injury and illness, and to minimise significant negative impacts on their lives.

Figure 3: All-injury frequency rate, 2017 to 2021



For the safety of our people.

RADIATION SAFETY

The primary purpose of radiation safety is to ensure compliance of the organisation to the Atomic Energy and Radiation Protection Act 5 of 2005, Radiation Protection and Waste Disposal Regulations GN 221, GG4835 of 11 November 2011.

This involves assessing, quantifying and controlling the risks of radiation exposure in the workplace. The Radiation Management Plan (RMP) provides a comprehensive summary of the risk assessments, sources and receptors referenced, and controls implemented.

To verify this compliance, the National Radiation Protection Authority (NRPA) audits the implementation of our RMP annually and we provide a narrative report on it to them.

Radiation exposure control is one of the key aspects of occupational hygiene monitoring at Rössing. The programme includes the monitoring of Similar Exposure Groups (SEGs) in which employees are divided according to the areas in which they work on similar tasks.

Other monitoring activities include Final Product Recovery (FPR) surface contamination and airborne long-lived radioactive dust (LLRD), Thermoluminescent dosimetry (TLD) for radiation workers, and urine sampling. Public monitoring, as well as the monitoring of shipments, form part of radiation safety exposure control.

Radiation exposure control is one of the key aspects of occupational hygiene monitoring at Rössing.

A total of 14 sealed radioactive sources were sent back to the South African manufacturer for disposal, as Namibia does not have a waste facility to manage disused sealed radioactive sources safely and securely.

Monitoring

We continued to apply the risk-based monitoring approach for SEG monitoring. Personal and area monitoring for SEGs measure the three exposure pathways, namely internal exposures to long-lived radioactive dust (LLRD), radon decay products, as well as external (gamma) radiation exposure.

In 2021, we collected over 450 personal and area SEG samples, and many other additional samples of area dose rates. Assuming a working year of 2,000 hours, the annualised and averaged dose by SEG is displayed in Figure 4. The average dose ranged between 0.73 and 2.91mSv/a against the occupational legal limit of 20 mSv/a. The overall average radiation dose was 1.4 mSv/a.

The area exhibiting the highest risk in terms of radiation exposure is the FPR area. The area is a controlled radiation area with access restriction, fingerprint access and contamination check for exiting personnel. We perform regular monitoring of surface contamination, inhalation dose rates for radioactive dust and area gamma dose rates.

To optimise these variables, we set a target of a maximum average surface contamination of 1 Bq per square centimetre (Bq/cm²) for the area, and a maximum average dust inhalation dose rate of 10 micro-sieverts per annum (µSv/h). None of these limits were exceeded.

In 2021, we performed over 1,000 urine samples without exceeding the action level for uranium in urine, which is 40 micro-grammes per litre (µg/L). A total of 42 pregnancy tests were performed, including females classified as radiation workers.

Achievement

History was made on 18 August 2021 when Rössing finally got rid of 14 sealed radioactive sources. Since the 1970s, Rössing has employed several sealed radioactive sources in its operations for the purposes of level and density measurements. With the advances in technology, all the sealed sources have been replaced and subsequently removed from operation.

Since the mine is no longer in need of sources and they are no longer in use, as a responsible organisation, a decision was made to return them to the South African manufacturer for disposal. In addition, Namibia does not have a waste facility to manage disused sealed radioactive sources safely and securely.

This is not only an achievement for Rössing, but it is also a relief to the regulator, as they have been removed from the national register.

ALARA campaign

In 2021, the Radiation Safety unit ran an "ALARA" campaign from July to December. ALARA stands for "As Low As Reasonably Achievable", taking economic and social factors into account, with regards to radiation protection.

The objectives of the campaign were to:

- sensitise employees on radiation safety protection and awareness;
- help the workforce identify the little actions that we do in work areas that have the potential to cause unnecessary radiation exposures;
- remind employees of what to do in the event of spills and incidents, and

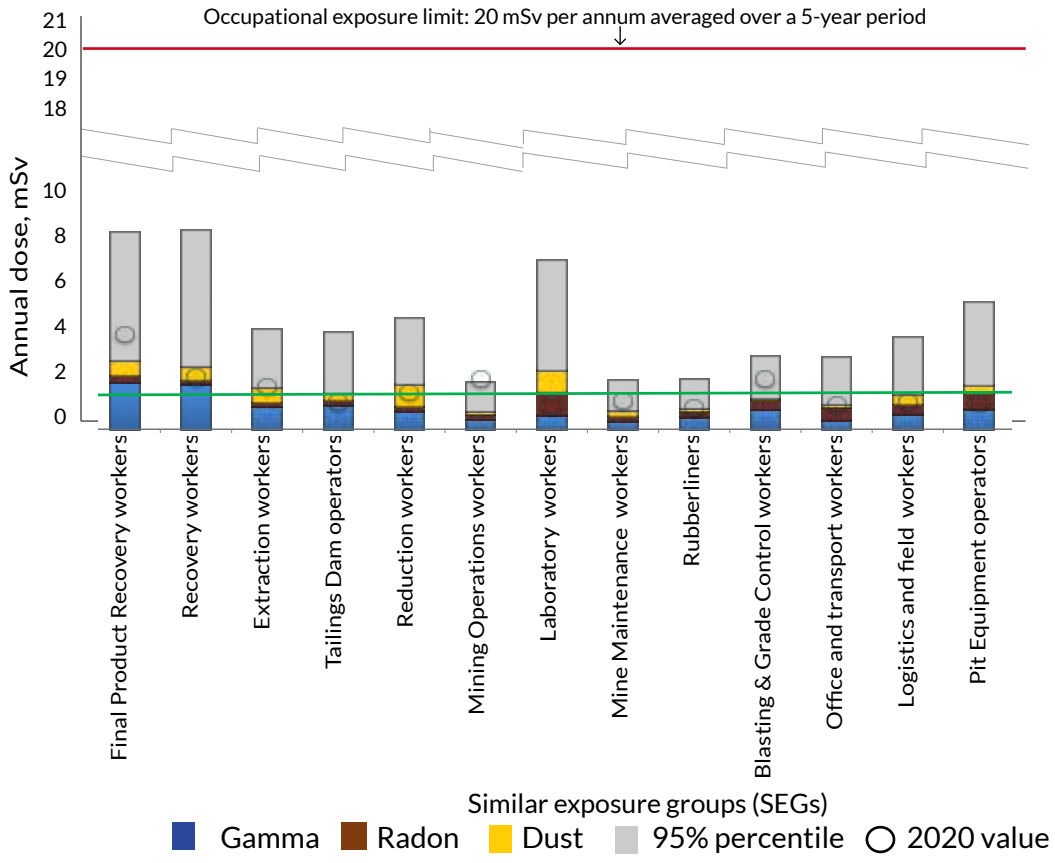
- to help evaluate our work areas with regards to radiation exposure and make the necessary improvements.

The messages shared were well received by our fellow colleagues.

Radiation safety in the community

Rössing Uranium continues to share knowledge and safe practices with other operators in the industry and in the country. In 2021, Rössing provided training on instrumentation and radiation safety awareness to employees of Bank of Namibia and Langer Heinrich Uranium (LHU) mine.

Figure 4: Personal radiation exposure dose by similar exposure group (SEG), 2021
Regulatory annual dose limit: 20 mSv



COMMUNITY RELATIONS

Rössing acknowledges that operating within a sustainable community provides our business distinct benefits, such as skilled and locally available employees, capable local suppliers of goods and services, access to sustainably managed natural resources, and healthy and safe environments for our employees and their families.

An important part of that is good community relations, which is as necessary for our business success as the effective management of our operations. With this in mind, we implement long-term community development plans that focus on improvements in quality of life. In 2021, we continued successful efforts to maintain these mutually beneficial relationships.

Rössing Uranium remains committed to long-term stakeholder relationships that are mutually beneficial and executed in a respectful manner.

Honouring our corporate social responsibilities, we accomplished this through continued investment under the United Nations Sustainable Development Goals (SDGs). Our activities are also aligned with the Chamber of Mines of Namibia's Mining Charter, Namibia's Fifth National Development Plan (NDP5) and the Harambee Prosperity Plan.

In 2021, Rössing Uranium supported the Rössing Foundation and other community initiatives with about N$14 million, of which close to N$12 million went to the Rössing Foundation, N$1.6 million to COVID-related donations and over N$400,000 was in-kind and cash contributions to worthy community initiatives. This is over and above the direct and indirect economic benefits we created through local employment and the procurement of goods and services from local businesses.

In 2021, the focus was on the "Bigger-Than-Me" project in conjunction with the Willem Borchard Primary School (WBPS) situated in Okombahe in the northern part of the Erongo Region. A wide range of community activities were initiated or supported, some of which are reported, and fall under the Sustainable Development Goals (SDGs) 17 of "Partnerships for the Goals".

WE REMAIN COMMITTED

Rössing Uranium remains committed to long-term stakeholder relations that are mutually beneficial and executed in a respectful manner for both the beneficiaries and the mine.

Mentorship programme — Girl-Child project

Mentorship provides one with a mentally safe place to land. Questions can be asked, ideas can be bounced off a reliable source, fears and dreams can be shared with a trusted advisor. Rössing embarked on a journey with WBPS where eight grade 6 learners were identified to participate in a three-year support programme.

An induction session was held with the mentors to ensure that they know the boundaries, would be able to identify red flags and could gauge their own competence for the planned journey with pliable minds. One face-to-face session was held. Thereafter, the mentors were expected to reach out to the mentees through the support teachers that had been allocated to them or directly with the mentee. This proved to be quite challenging, as data and access to a reliable means of telecommunication was a big stumbling block. Initially, some mentors experienced anxiety, as they felt their own experiences and academic prowess would not be sufficient to provide the safety net or the guidance their mentees might need.

To address these perceived challenges, support structures were put in place at WBPS through the provision of a television screen and a laptop to aid face-to-face sessions, and to provide their mentees — and the rest of the school population — with the means to access the world wide web in a safe and supervised environment.

In addition to this, a 'Protective Behaviours' workshop was organised with the aid of consulting firm, Rapha Counselling and Consulting Services, which imparted an accredited qualification to mentees to work with the daily emotional and physical vulnerabilities that our children face. This training event was extended to teachers at WBPS as well as the community that the school springs from, because as the adage goes, it truly takes a village to raise a child.

The first year of the project has been closed off as a foundational intervention. 2022 is geared towards growth and potential, with the third year slated for closure and disengagement.

NaDEET Outreach — STEM support

Efficient energy use, sustainable interactions and environmental stewardship were the key drivers for a three-year partnering agreement between Rössing and the urban centre of Namib Desert Environmental Education Trust (NaDEET) located in Swakopmund.

In 2019, Rössing took a team of learners and teachers from Kahenge in Kavango West Region to the NamibRand Centre that NaDEET runs in the south of Namibia. The visit was a great success and the intention was to repeat it in 2020; however, the gazetted regulations around social distancing and the limit on numbers for public gatherings necessitated the cancellation of the planned event.

In 2021, planning was adapted to the changed conditions and NaDEET was approached to rather have two trainers going out to the learners' community instead of taking a group of fifty learners and teacher to their NamibRand centre.

This partnership agreement and willingness to innovate in challenging times saw the grade 6 learners at WBPS, community members, and the teachers at the school gain insights into:

- Global warming and its impact on our daily lives,
- Solar stove training,
- Energy and sustainable use – light bulbs' energy use,
- Fireball making – to be used as an alternative to wood,
- Tjo-tjo stove training for community members, feeding scheme volunteer and a community member who runs a soup kitchen, and
- Waste separation and recycling.

A cleaning campaign was hosted at the school the day before the three-day training commenced. The aim was to not only to get the learners invested in the sessions, but also to show how we can use everyday items in a more sustainable way and that there are alternatives to the current norm of plastic packaging to keep items clean and hygienic.

After the training, the school kept four of the six solar stoves that were made available by Rössing for use in the school feeding scheme, which is currently making use of

Mentorship provides one with a mentally safe place to land.

Solar stove training for community members and learners at Willem Borchard Primary School.

Mentors of the mentorship programme: (from left to right back row) Petra Anton, Benetton Jacobs, Markus Shifotoka; (front row) Pamela Geises, Edwich Hoaes and project leader, Amanda Horn.

two three-legged pots and wood collected from the veld surrounding Okombahe.

Redundant Equipment Donation — STEM support

A laptop donation with software programmes loaded was donated to WBPS for the mentorship programme online sessions and for research purposes at the school. A television set was also donated for the mentorship programme's online sessions.

Ann Pads project — Girl-Child project

The distribution of 'Ann Pads' sanitary protection is ongoing. The learners from the Senior Secondary School have also been included in the distribution. However, the school has not yet started the income generation component, but plans to do so in 2022. The school has started a SHE project as a result of the AnnPad initiative. At the monthly meetings on a Saturday learners discuss gender specific issues and are provided with a safe space to seek and find answers for challenges they are facing as they mature.

Infrastructure support

Waste-separation bins are being constructed by Rössing's Plate shop team in collaboration with on-site contractor, Jepe Construction. These will be in support of the Education for Sustainable Development programme at WBPS. The steel for the frame is being bought, while Rössing's redundant pallets are being re-purposed to form the wooden framework.

The Arandis-located Namibia Institute of Mining and Technology (NIMT) was approached for help, and they agreed to refurbish broken chairs and tables that were collected from the school and then taken back after being repaired. Rössing covered the cost of the transport provider, while NIMT carried the cost of the refurbishment.

Shipanga Enterprises, an Arandis-based company, was contracted to construct cement tables and chairs for WBPS's feeding scheme, enough to accommodate 400 learners. The tables and chairs were built in front of the feeding scheme kitchen that was moved from the front of the school to the back where there was ample space for the cement tables and chairs.

While on site at the school, Shipanga Enterprises supported the school with transport to move a water tank to the school, as water provision for daily needs for sanitising, cooking, and use in the toilets remains a challenge for the school. They have also committed to support the school with the replacement of broken windows on some school buildings.

Rapha Counselling Services — Girl-Child project

A need was identified to train the peer educators on sensitivity and equip them with tools to run their individual mentoring sessions. Rapha Counselling was brought on board for a three- year period of the "Bigger-Than-Me" project to:

- Conduct training on Protective Behaviours for the mentors, the teachers from both the primary and secondary schools, community members and community leaders,
- Conduct a 'Care for the Carer' workshop with the mentors (this was to raise awareness on self-care, prevent burn-out and to teach the mentors coping mechanism), and
- Conduct online counselling and mentoring sessions over the three-year period with the mentors.

INTERNAL AND EXTERNAL COMMUNICATIONS

The social expectations from mining companies are continuously changing with the license to operate becoming more complex. Corporate communications plays a key role in how investors, government, communities, media and the general public perceive the company.

Rössing's broad and complex stakeholder groupings require to be kept abreast about company developments and the mine's strategic direction through the identification of the best possible communication channels.

Internal communications

Employees are one of the key stakeholders of any organisation, as such the mine undertook an internal communication survey to examine the effectiveness of internal communication amongst the workforce in terms of how employees view the flow of information, the frequency, channels and types of information shared.

The survey was furthered aimed at identifying areas of strength, best practice, and opportunities for improving internal communication.

In support of the Business Integration (BI) workshops, which were rolled out during 2021, a BI communication plan was developed and successfully implemented. The highlight of the plan was the departmental value stars who were featured in the various communication platforms, the use of animation and comics to simplify the key messages, as well as the roll-out of the new corporate video.

Various Managing Director's briefs and COVID-19 newsletters were issued throughout the year to keep employees updated on the status of the pandemic and the guidelines and procedures of Rössing's Covid-19 Emergency Response Plan.

External communications

One of the milestones during 2021 was the communication of the findings of the Epidemiological study of certain cancer types among Rössing Uranium workers ("Health study") to key stakeholders. Due to the COVID-19 pandemic and its related restrictions, virtual feedback sessions were held to share the findings with various stakeholders of the mine.

The sessions were well attended, and stakeholders were given an opportunity to seek clarity and pose questions to the University of Manchester who were appointed by Rössing' s previous majority shareholder, Rio Tinto, to undertake the study.

Stakeholder engagement

The mine's senior management engaged the following key stakeholders on several matters of mutual interest:

- Minister of Mines and Energy,
- Governor of Erongo Region,
- Chamber of Mines of Namibia
- Namibia Uranium Association (NUA),
- Namibia Competitions Commission,
- Ministry of Environment, Forestry and Tourism,
- Ministry of Labour
- Deputy Minister of Finance,
- Minister of Agriculture, Water and Land Reform, and
- Swakopmund Constituency Councillor, amongst others.

The public tours under the mine's visitors programme remained closed during 2021 due to COVID-19; however, the following smaller groups totalling 57 visitors were hosted on site:

- The Louw family,
- Erongo Governor and NUA Director,
- Ministry of Agriculture, Water and Land Reform,
- Ministry of Mines and Energy,
- Society for Geology Applied to Mineral Deposits (SGA),
- Geological Survey of Namibia,
- International Union of Geological Sciences, and
- Resourcing Future Generations.

Media

In our continued effort of maintaining an open and transparent relationship with the media, several media releases where pro-actively issued on key developments at the mine as well as providing timeous responses to media queries to create balanced coverage of our operations and business activities.

Social media

In November 2021, Rössing proudly launched its Facebook page. As a business, social media offers the opportunity to build relationships with key stakeholders, humanise our brand and participate in dialogue to further our strategy. It also allows us to be more responsive to a constantly changing world. We are looking forward to growing our following and share valuable information with our stakeholders on this platform.

Rössing Marathon

Rössing Uranium commemorated it's 30 years' anniversary as the official sponsor of the Rössing National Marathon Championship hosted by Swakop Striders Athletics Club on 19 June 2021 under the theme "Celebrating 30 years of road running."

To ensure adherence to the COVID-19 restrictions and measures in place and keeping the health of our runners as priority, Rössing decided to host this milestone event with its first virtual marathon, with runners participating from wherever they find themselves countrywide. A total of 302 participants took part in the marathon.

THE RŐSSING FOUNDATION

The Rössing Foundation

The Rössing Foundation was established in 1978 through a Deed of Trust as a vehicle to oversee and implement many of Rössing Uranium's corporate social responsibility activities in Namibia.

The Rössing Foundation implements programmes and projects under the following mandates:

Education

To further the education of all Namibians to achieve greater national productivity and to enhance lifelong learning.

Education Benefaction

To encourage the creation and/or to create opportunities for people to use their education.

Livelihood and Enterprise Development

To promote the advancement of the living standards of all the people in Namibia.

General Directives

To do any act or thing, which in the opinion of the Trustees, will benefit Namibia or any or all its inhabitants.

Report by Job Tjiho, Executive Director, the Rössing Foundation

The Stakeholder Report 2021 highlights involvement, improvement and notable achievements made, as well as various challenges encountered during the implementation of the Rössing Foundation education, livelihood and enterprise development programmes and projects.

During these trying times, characterised as they were by the COVID-19 pandemic and underpinned by several lock-downs in adherence to national and World Health Organisation protocols, the Rössing Foundation continued to render critical services to the people of Namibia.

As a result of the threats posed by the COVID-19 pandemic, the Rössing Foundation employed mitigation strategies to prevent infections. For example, we reduced the number of participants in groups to conform to the regulations which limited the amount of people able to gather; we made provision for social distancing and provided water and sanitisers for hand-washing and sanitising; and confined session to periods of two hours or less before breaks to allow training venues to become naturally fumigated to prevent the spread of the virus.

The COVID-19 outbreak and the 'new normal' required new ways of thinking to effect innovative ways and methods of delivering services to communities. These new approaches included aggressive e-materials development, an increase in printed materials and the distribution thereof, while

new teaching approaches were put into practise through e-learning, as virtual teaching and learning became the order of the day. Teaching by means of WhatsApp groups and accessing learning materials through the Rössing Foundation website were other new approaches that were implemented.

Teacher Support programmes

The Rössing Foundation Arandis, Ondangwa, and Tamariskia Education Centres supported a total of 329 teachers through professional development, such as one-on-one coaching, virtual teaching, and learning (using the WhatsApp and Zoom platforms), as well as through the provision of supplementary teaching materials and co-teaching at the local schools.

Teachers were further supported through the A-Z Reading programme, sharing of literature content, development of debating skills, loan of science equipment, and guidance in how to carry out practical activities at the Science centres and at schools.

Learner Support programmes

The Rössing Foundation has three Education Centres in the country, one in Arandis, one in Swakopmund in the Erongo Region and one in Ondangwa in the Oshana Region.

The three centres provide additional teaching opportunities to NAMCOL students and full time learners from Swakopmund, Ondangwa and Arandis, as well as from other neighbouring towns such as Walvis Bay, Oshakati, Ongwediva and Henties Bay.

During 2021, the Rössing Foundation Education Centres remained sources of supplementary education and have supported a total of 6,524 learners at all the centres.

Library services

The visits to the libraries were low during the year under review compared with previous years due to the necessary limitations and adjustments to COVID-19 protocols However, the libraries continued to provide services and support to teachers, learners and communities with supplementary information, research and homework. The libraries also provided a conducive environment for learners and students to study.

The Rössing Foundation libraries in Arandis, Ondangwa and Swakopmund supported a total of 21,096 learners with 363 being full library members.

National Outreach School Support programme

The National Outreach Education Programmes consist of two major disciplines, namely:

- the Mobile Laboratory School Support, and
- Social Accountability and School Governance Programmes.

During 2021, a total of 897 learners, 32 teachers and 77 School Board trainers were supported as part of the National Outreach School Support programme.

Mobile Laboratory School Support

Learner Support

The following ***modi operandi*** were used during learner support engagement:

- Face-to-face: the Education Officers conducted lessons on a face-to-face basis in the classes.
- Scientific experiments (practical and demonstrations): learners follow instructions given in the form of written instructions to carry out experimental and investigative work.

"I have failed my grade 12 a few years back with 16 points and ended up in NAMCOL, but I call myself lucky because I got a chance to be exposed to an environment such as that of the Rössing Foundation Centre and this has changed my life for the better.

"Their lectures didn't only teach me, but they stirred up a self-belief in me that taught me that I could become anyone or anything I put my mind to. Now, I am a sixth-year medical student.

"Kindly believe me, I am from a normal background, but if it wasn't for Rössing Foundation, I would perhaps not have achieved what I have achieved today. Therefore, I am very grateful and proud to be associated with the Rössing Foundation. I encourage everyone to make use of the Rössing Foundation programmes to get exposed to education. They will always find a way to help you." Remembrance de Klerk

Learners at the Rössing Foundation library in Arandis.

Capacity Strengthening for Teacher Support/Education Officers

The capacity of teachers for English, Mathematics, Biology, Physics and Chemistry were strengthened through team planning, team teaching, model lessons and teacher professional development sessions. It is important to note that the support to schools focused mainly on the new curriculum in which the teachers are finding it challenging to deal with some topical issues, as well as their interpretations. This curriculum is considered to be at the Advanced Subsidiary Level. In addition, the training also assisted teachers and learners following the Ordinary Level curriculum for the grades 9 and 11.

Support to Wennie du Plessis, Epako Secondary and Izak Buys High Schools in Omaheke Region

The Senior Secondary Certificate Ordinary Level (NSSCO) in Omaheke Region and the Namibia Senior Secondary Certificate Advance Subsidiary Levels (NSSCAS) received the most support during 2021. In total, the Omaheke region was supported three times through 2021, of which NSSCAS benefited in all three visits, while NSSCO benefited once. The support ran from April 2021 to September 2021.

Social Accountability and School Governance Outreach Programme

Under this programme, the training of School Board Trainers (ToT) was conducted in Keetmanshoop, Kharas and Zambezi Regions. The training aims to capacitate the trainees in the following disciplines:

- COVID-19: effects and mitigation strategies,
- The structure, composition and roles and responsibilities of school boards,
- The elections of the school boards,
- How to organise and conduct school board meetings,
- Maintaining and managing discipline in schools for learners and staff members at school level, including eradication of social evils such as bullying,
- How to identify, sensitise and mobilise education gatekeepers at school level,
- Using the Education Management Information System (EMIS), the Data Must Speak (DMS) notion
- The importance of school health, safe schools, as well as school sport for development,
- The application of training skills and strategies for training and working with adult learners such as School Boards,
- Practice training, for better preparedness for the real School Board trainings (this was done at selected schools), and
- Prevention of sexual exploitation and abuse.

Support to Ûiba Ôas Crystals Market

Ten Ûiba Ôas Small-scale Miners Co-operative members at the Crystals Market were trained in stone cutting, polishing, and the usage of production machinery by the Ministry of Industrialisation and Trade. This practical training and the appropriate usage of the machinery was successfully completed by the cooperative members, with an observable impact being the result. At the end of the workshop, participants sincerely acknowledged the new skills they gained, and the potential benefit to their output in terms of value addition of the gemstones through the use of machinery.

During the same training, the Ministry of Mines and Energy presented the overall legal framework for small-scale miners' operations, and the procedures for acquiring export permits.

It is worth reporting that the application for export permits will now be made available at Ûiba Ôas Crystals Market to expedite export of semi-precious stones. In the past, delays in the issuance of export permits at airports sometimes resulted in tourists forfeiting their semi-precious stones.

As part of the continuous marketing of the Ûiba Ôas Crystals Market, two sign boards were erected along the B2 road by cooperative members with the assistance of Rössing Foundation to increase the enterprise's visibility. The signs were erected after the approval was granted by Roads Authority.

Okombahe Community Debushing Enterprise

The project continues to progress by producing and supplying firewood to the retailers in Usakos and Swakopmund, and droppers and poles to farmers. The project also produced and supplied fresh logs to a mushroom farmer in Walvis Bay.

The enterprise is well marketed through word of mouth, Facebook and WhatsApp, hence farmers, communities and businesses have become aware of the Okombahe enterprise and its products.

Although the project demonstrated its economic viability, the human capital at the community level lacks the capacity to manage and operationalise the enterprise according to sound business principles. For instance, they were not able to produce enough products to meet the demand as workers do not stay long in employment, claiming that the work was too heavy.

It's against this background that the Erongo Regional Council's Dâures Constituency has requested the Rössing Foundation to embark upon a viable business model that would commercialise the operation of the enterprise. Consultations regarding the new business operational model has commenced and the appropriate model will be implemented in 2022.

Support to Omatjete Community

The Rössing Foundation, through the financial support from the Game Product Trust Fund of the Ministry of Environment, Forestry and Tourism, is working with the Omatjete community to mitigate human-elephant conflicts by building protection walls around community water and building separate drinking points for the wild animals.

Small-scale Miners.

Okombahe debushing project.

Support to Omatjete Community.

The enterprise is well-marketed through word of mouth.

In 2021 protection walls were built around three water points at Omutiuanduko, Otjitoporo and Ozondundu, in addition to the two water points that were built at Okamaere and Ondundu in 2020. In addition, a new drinking water point for elephants and one new community water point were built in the Dâures constituency and are fully functional.

However, the community are not entertaining the pumping of water to the elephant water point as farmers are complaining of the expensive diesel cost. Therefore, the community stopped pumping the water at the elephant drinking points. This decision by the community could result in the elephants visiting the community in search of water, thereby continuing to give rise to human-wildlife conflicts. A facility that will resolve this situation is the installation of a solar system at an exclusive water point for wildlife and the community boreholes. In 2022, various development partners will be lobbied to equip the boreholes with solar pumps.

As a result of the project, the Otjiperongo Junior Secondary school now has consistent water supply since the school borehole was rehabilitated and the water pumping system overhauled.

The school has over 300 learners and it has been without water since November 2018, due to the broken borehole that previously served the school. The rehabilitation of the school borehole and water supply was critical, as water is a basic need, coupled with the hygiene requirements due to the COVID-19 pandemic.

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Support to Oshikuku Community Green Scheme

Through the grant from the Social Security Commission, the Rössing Foundation continued supporting the agribusiness development in Oshikuku in the Omusati Region in 2021. The purpose of this development is to create employment opportunities, strengthen the local economy, contribute towards local food production, and general rural development.

A solar water pumping system was installed during the year under review through special funding from Rössing Uranium, enabling the project to increase its production capacity.

The project members received a field-based practical horticultural training, which was conducted at the project site. The aim of the training was to equip the project members with practical horticulture knowledge and skills through practical demonstrations. The project members are now able to produce vegetables such as carrots, peppers, spinach, beetroot, tomatoes, onions, sweet chilli, sweet potatoes and maize.

The Oshikuku project is currently supplying fresh vegetables to the local community, the surrounding villages, and nearby towns, while negotiations for the long-term supply to the formal market with retailers are being negotiated.

An application for land rights was submitted to the Omusati Region Land Board and approval is awaited. The project received the Environmental Clearance Certificate from the office of the Environmental Commissioner. Monitoring of the environmental impact of the project continues.

Support to Omatjete Community.

Oshikuku Community Green Scheme.

Oshikuku Community Green Scheme.

The aim of the training was to equip the project members with practical horticulture knowledge and skills through practical demonstrations. The project members are now able to produce vegetables such as carrots, peppers, spinach, beetroot, tomatoes, onions, sweet chilli, sweet potatoes and maize.

PROTECTING THE ENVIRONMENT

Rössing Uranium is committed to protecting the environment in which we operate.

With cognisance on how our mining operations impact natural resources and the environment, we drive a wide range of preventative monitoring activities.

We have a particular focus on water management and monitoring, especially considering the extreme rainfall conditions associated with the Erongo Region's water-scarce, hyper-arid climate. We have a strong history of engagement and co-operation with our regulators and other stakeholders to ensure that the environment remains protected.

We manage impacts on the environment with guidance from, among others, Namibian legislation, the ISO 14001:2015 Environmental Management System, Rössing Uranium's performance standards, and international best practices.

Through transparent reporting we provide our stakeholders with the assurance that our environmental impacts are monitored, and the necessary mitigation measures are in place to keep our environmental impacts minimal. Our environmental management performance, measured against set objectives and plans, is discussed in the following pages.

Water management

Water management at Rössing is guided by a formal water strategy, a water management plan, and a Rössing-specific environmental standard on water usage and quality management.

These management tools cover all activities related to water abstraction, transport, storage and usage (potable and process), as well as impounded water and groundwater. The intent of the standard is to ensure efficient, safe, and sustainable use and protection of water resources and ecosystems.

In addition, Rössing adheres to all aspects pertaining to water in the Constitution of the Republic of Namibia. To that effect, we operate with a Waste Water and Effluent Disposal Exemption Permit 674, as well as a Water Abstraction Permit 10200.

Knowing that our water requirements are substantial, our focus is on the sustainable and accountable use of this scarce and valuable resource, with minimal adverse effects on the environment.

We drive a wide range of preventative monitoring activities.

Vistorina Nangolo, Environmental Advisor, examining plants at the Tailings Storage Facility.

We carry out various continuous monitoring activities, which include:

- taking frequent flow-meter readings at various points in the Processing Plant to provide a continuous overview of our water balance data,
- taking frequent water level measurements at our Tailings Storage Facility (TSF) and numerous monitoring locations across the mine site, extending to the Khan and Swakop Rivers, and
- conducting water-quality sampling at various locations (starting at the source, the TSF), which we use to understand changes in water chemistry due to chemical reactions in the heterogeneous environment.

All spillages in the Processing Plant are captured and channelled to a large recycle sump for reuse. Effluents from the workshops are treated to remove oils and sewage is processed in the onsite sewage plant. These semi-purified effluents are used in the open pit for dust suppression.

At the deposition pool (active paddy) of the TSF, water is recycled and reused on a continuous basis in the Processing Plant, minimising surface evaporation and infiltration into the tailings pile. Water that infiltrates the TSF is recovered by pumping boreholes and open trenches installed on the facility itself to reduce the volume of underground water within the tailings pile.

Seepage control systems are also deployed outside the TSF. They include a surface seepage collection dam to capture water from the engineered tailings toe drains, cut-off trenches in sand-filled river channels and de-watering boreholes situated on geological faults and fracture systems on the downstream, western side of the facility. All systems are designed to lower the water table to the extent that flow towards the Khan River is interrupted. The recovered water is reused in the Processing Plant.

Freshwater usage

Our water demand is met by the local bulk water supplier, NamWater, via a pipeline from the base reservoirs in Swakopmund and is sourced from the Orano desalination plant near Wlotzkasbaken. Fresh water supply continues to be a challenge for our operation, as our demands are not always met due to engineered or otherwise natural challenges experienced by the suppliers.

In 2021, the total freshwater usage target was set at 2,814,150 m^3 of freshwater for all operations.

The actual consumption of fresh water came to 2,723,508 m^3, which is 3.0 per cent below the planned target. The savings were made possible through continuous improvement efforts on our recycling methods, which comprised 59.5 per cent of the total water usage (see Figure 5).

Groundwater sampling for water quality analysis.

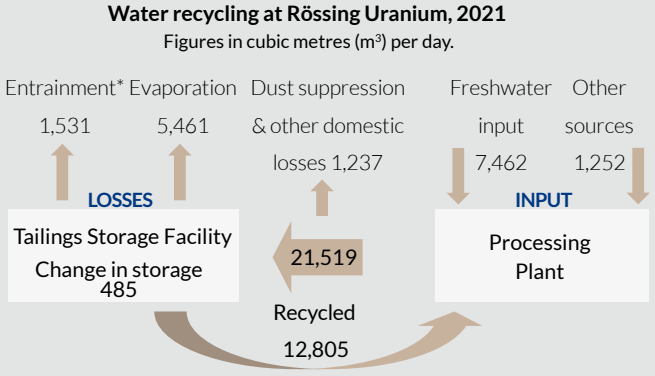
Monthly freshwater usage, as depicted in Figure 6, was above plan for the first quarter of 2021. This is mostly attributed to low seepage recovery from the active paddocks during that period, for which the deficit had to be supplemented with fresh water. Low seepage recovery was because of faulty decant pumps, and active interfaces restricted slimes to settle for return dam solution recovery.

Worth noting further, is that the water usage per tonne of ore milled was above target for February and March.

For most of the remaining period in 2021, both the freshwater usage and water usage per tonne of ore milled were below target values. The resultant positive impact from the low calc trial project is evident during this period, as slimes settled relatively faster since its inception, subsequently increasing decant water recovery and reducing freshwater input requirements.

On average, we met the target on freshwater usage per tonne of ore, which was set at 0.3 with 0.282 m^3/t recorded. Freshwater consumption performance from 1984 until 2021 is depicted in Figure 7. There has been a steady decrease in the overall freshwater consumed per tonne of uranium oxide produced for the past four years.

Figure 5: Overview of Rössing Uranium's water balance, 2021



* Water entrainment is the permanent loss of water to the pore spaces of the tailings material and is not recoverable anymore.

Khan River water use

Saline groundwater from the Khan River aquifer, in conjunction with biodegradable dust suppressant polymers, is used to suppress haul-road dust in the open pit. A total of 46,558 m^3 of water was abstracted from the aquifer during 2021, which is 5.4 per cent of the permitted 870,000 m^3 per year.

Although we abstract a low portion of the permitted volume, we continue to monitor the vegetation and water levels in the Khan River to prevent over-abstraction, based on the ecosystem response. In compliance with the abstraction permit conditions, annual reports derived from the water-level and vegetation-monitoring programmes are submitted to the Ministry of Agriculture, Water and Land Reform.

Ann-August Shikongo, Environmental Advisor, taking rainfall readings on the mine.

Figure 6: Freshwater use per month, 2021 (cubic metre)

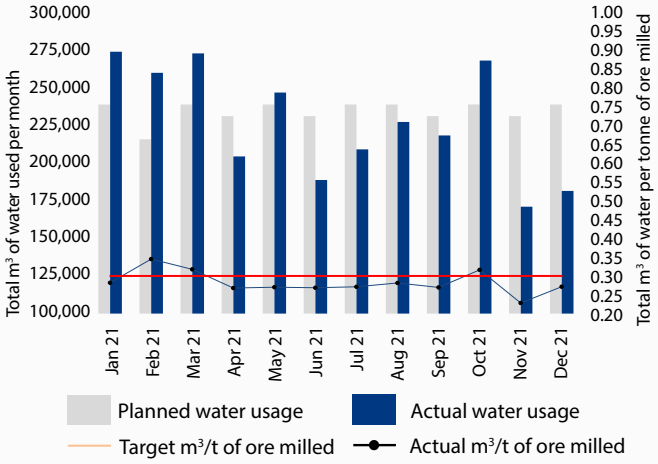
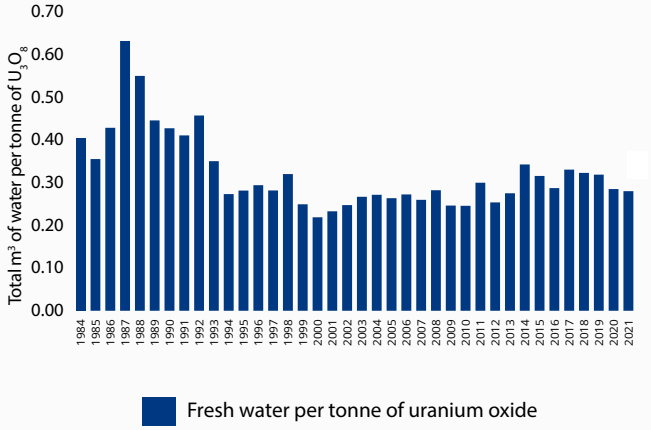


Figure 7: Volume of fresh water consumed per tonne of U_3O_8 produced, 1984-2020 (cubic metre)



Air quality management

Rössing Uranium is committed to protecting the environment from the harmful effects of air pollution caused by its mining activities.

Dust is generated during blasting, the loading and dumping of ore and waste, as well as during the crushing and conveying of ore. Winds at speeds above 30 km/h potentially mobilise fine particles from rock dumps and the TSF and disperse them into the environment.

Dust particles can be so small that they become airborne, easily causing environmental effects such as reduced visibility, increased acidity in water bodies, and lessening of the soil with the resultant damage to plants.

In addition, noise and ground vibrations are created during mining operations including blasting, while the machinery deployed in the open pit and the Processing Plant generates noise continuously.

Therefore, dust emissions, noise and ground vibrations created during mining activities require an understanding of the impact they have on the people and the environment most affected. Hence, an air-quality monitoring programme (AQMP) is in place to measure and monitor air pollutants in the mining and surrounding areas. This guides us in implementing programmes to help reduce these impacts.

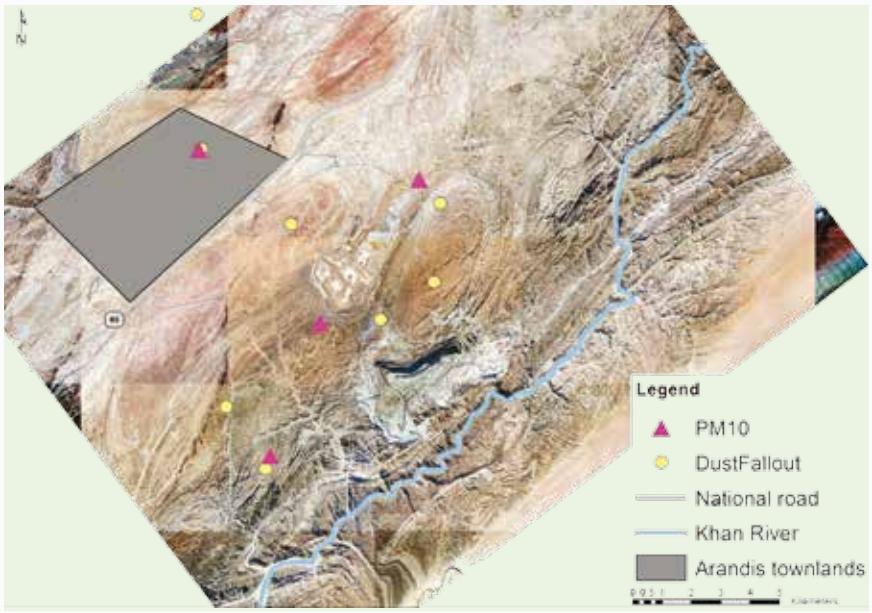


Figure 8: The map shows the PM_{10} dust monitoring network samplers and dust fall-out buckets.

Environmental dust

Rössing is located in an arid environment and the climatic conditions make dust an inevitable reality in mining operations such as ours. Dust emissions are of concern to the residents of Arandis and Swakopmund, especially when high-velocity winds occur during the winter months.

To quantify the dust fallout generated by our mining activities and allow mitigation when necessary, the AQMP is in place. Measures are taken to ensure that exposure levels do not exceed the adopted occupational limits, and that the controls efficiently detect differentiations resulting from process changes.

Two types of dust are measured: firstly, a very fine dust invisible to the naked eye that is comprised of particulate matter less than 10 micron (known as PM_{10}), and secondly, fallout dust, which is visible to the naked eye and comprised of lager particles, but also includes PM_{10}.

The measure of PM_{10} is the concentration of particles less than, or equal to, ten micrometres in diameter in one cubic metre of air. We continuously monitor PM_{10} dust levels at four monitor stations: three onsite and one in the nearby town of Arandis (see Figure 8, denoted by pink triangles).

The levels measured in 2021 showed that PM_{10} dust concentrations at the available stations were below the adopted World Health Organization (WHO) standard of 75 µg/m^3 (see Figure 9). There were persistent challenges experienced with PM_{10} stations' availability and performance in 2021. Full year monitoring was only possible at the Boundary station, although both the Arandis and CMC stations became available later in the year with no monitoring done at the Tailings station.

Fallout dust is measured at six stations at different locations along the mine boundary (see the yellow dots on the map, Figure 8). The dust-fallout limit is 600 mg/m^2 per day with an annual average target of 300 mg/m^2 per day, as required by the adopted South African National Dust-Control Regulation (SA NDCR) standard.

During 2021, values measured at the six stations ranged between 4 and 74 mg/m^2 per day with a year-to-date average of 17 mg/m^2 per day (see Figure 10).

All measured deposition rates were well below the adopted SA NDCR standard.

Figure 9: Monthly average PM_{10} dust concentration, Jan-Dec 2021 (microgrammes per cubic metre)

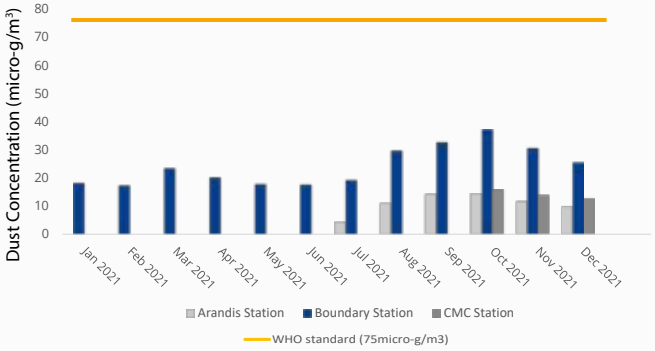
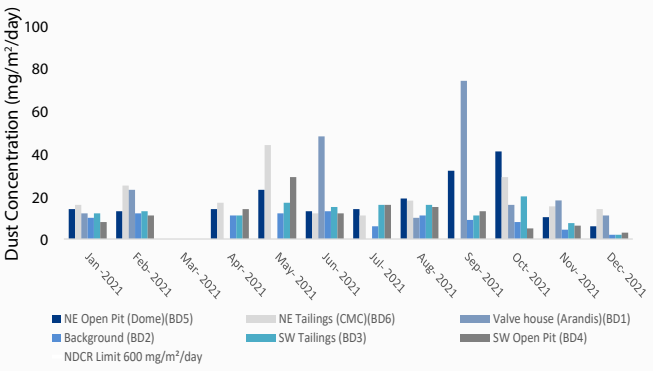


Figure 10: Monthly average of daily dust deposition rates at the mine boundary, Jan-Dec 2021 (milligrammes per square metre per day)



Vistorina Nangolo, Environmental Advisor, monitoring environmental noise.

Noise and vibration

In the absence of Namibian legislation on environmental noise and vibration, Rössing has adopted or referred to the United States Bureau of Mines (USBM) RI 8507 criteria for safe blasting, and for operational noise to the relevant South African National Standards Code of Practice, SANS 10103:2008 (SANS, 1992) as internal reference limits.

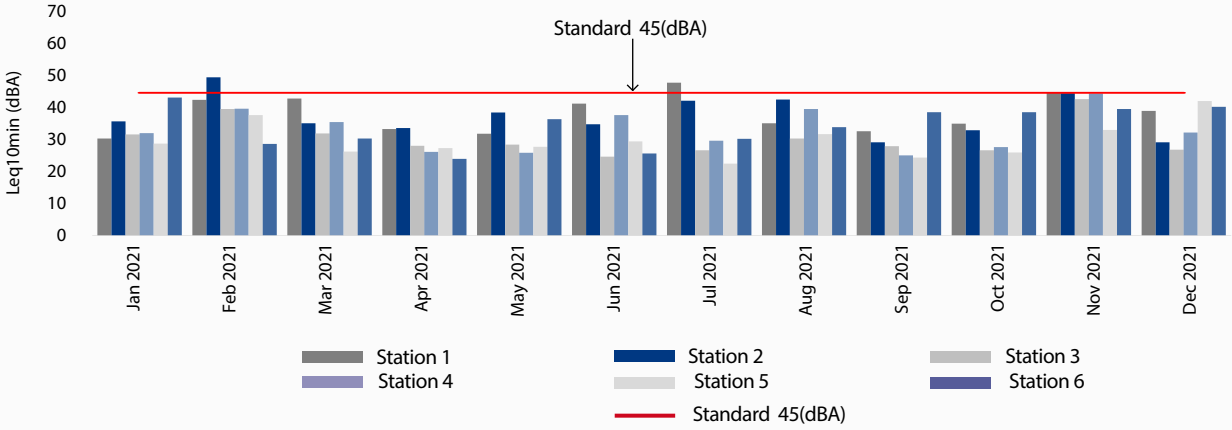
Noise and vibration are monitored at various points on- and off-site. Environmental noise is monitored according to a specific procedure and reported monthly to help identify events when these levels have been exceeded.

In 2021, both air-blast and ground vibration levels were consistently below the limits of 134 dB and 12.5 mm/s, respectively. Blasting is only carried out in the open pit, and monitored at two places, namely onsite and in Arandis.

Environmental noise is measured over snapshots of ten minutes at six different sampling points or stations, namely Station 1 - Rössing Main Mine Access Road; Station 2 - Arandis Airport Gate; Station 3 - Khan River Valley; Station 4 - Khan River Rock Island; Station 5 - Khan Riverbed and Station 6 - Khan Riverbed.

There were two occasions during which environmental noise readings exceeded the Rössing internal noise level of 45 dBA (Figure 11). These exceedances were attributed to natural background windy conditions experienced at the time of monitoring, rather than to excessive noise generated during mining activities.

Figure 11: Environmental noise over a period of 10 minutes, 2021 (Leq l (equivalent continuous A-weighted sound pressure level, Leq l using the 'l' (Impulse)) 10 min (dBA))



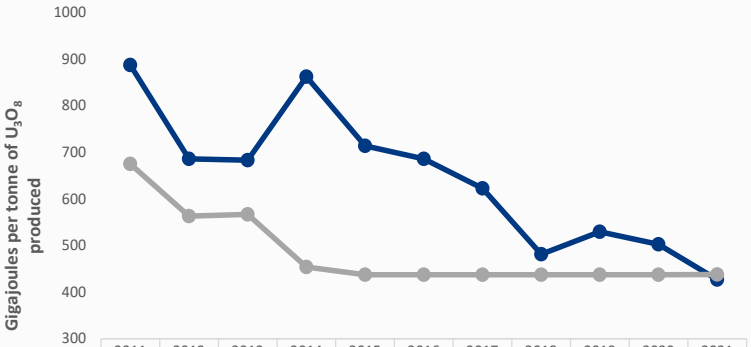
Energy efficiency and greenhouse gas emissions

As part of the environmental commitment and priority given to protecting the environment, Rössing measures and manages its greenhouse gas (GHG) emissions and energy intensities. This assists in improving energy efficiencies and reduce GHG emissions.

The sources of GHG emissions at Rössing include electricity and fuel consumption, the transporting of reagents and uranium oxide, blasting (use of explosives), waste management areas (the sewage plant, rubbish disposal and landfill site), and the extraction and processing of ore. The intensity of emissions is reported per unit of uranium oxide produced.

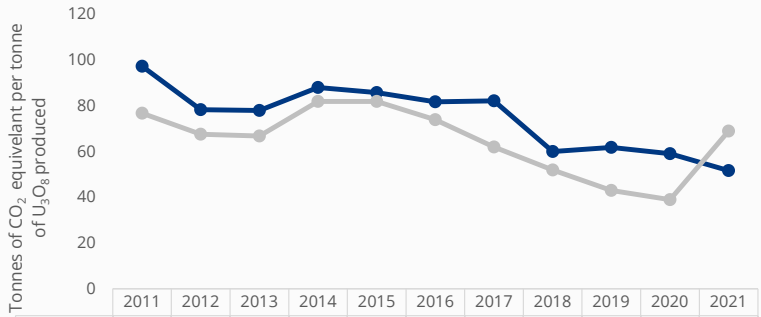
In 2021, the total energy consumption of the mine was 1,229,744 GJ for 2,882 tonnes of uranium oxide drummed. This converts to an annual energy consumption of 427 GJ per tonne (GJ/t) of uranium oxide produced, which is 29 per cent below the projected internal target of 603 GJ per tonne uranium oxide produced (see Figure 12).

Figure 12: Energy consumption, 2011-2021
(gigajoules per tonne of U_3O_8 produced)



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Actual	888	686	683	863	714	686	623	481	530	503	427
Target	675	564	567	454	438	438	438	438	438	438	438

Figure 13: Carbon dioxide emissions, 2016-2020
(tonnes of CO_2 equivalent per tonne of U_3O_8 produced)



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Actual	97	78	78	88	86	82	82	60	62	59	52
Target	77	68	67	82	82	74	62	52	43	39	69

In the reporting year, emissions of carbon dioxide (CO_2) per unit of production amounted to 52 tonnes of CO_2 equivalent per tonne (CO_2- e/t) of uranium oxide, which is below the internal of 69 tonnes CO_2-e/t of uranium oxide for the year (see Figure 13). This could also be attributed to the decrease in ore grade.

Biodiversity management

The protection of environmental quality, including biodiversity, is important at Rössing. We take pride in the conservation of biodiversity within the ambit of the Rössing mining licence, in the surrounding communities, as well as in Namibia at large.

Ecosystems and associated biodiversity at Rössing are managed through our Biodiversity Action Plan (BAP) that follows the mitigation hierarchy, which aims to prevent, minimise, rehabilitate, and restore Rössing's footprint, and impact on the ecosystem.

Rössing continued to be involved in various biodiversity awareness campaigns and projects that aimed to create awareness and strengthen the understanding of biodiversity amongst the workforce, communities, and the Namibian population.

The protection of environmental quality is important to Rössing.

Rössing made a donation to Vulture Namibia, a non-governmental organisation, for use towards vulture conservation in Namibia.

Donation towards vulture conservation in Namibia

A significant focus on sustainable development exists at Rössing, and is at the centre of our overall approach to business. Rössing seeks out opportunities that can achieve environmental quality and increase economic wealth and social well-being, today and tomorrow.

A donation of N$50,000 was made to Vulture Namibia, a non-governmental organisation, for use towards vulture conservation in Namibia. The NGO will primarily use these funds on some projects of their mandate:

- determine the movement of vultures from their natal sites to other parts of Namibia and neighbouring countries,
- determine the survival rates of chicks and their longevity, and
- create awareness about the plight of vultures and the important part they play in the ecosystem.

With this donation, Rössing aims to create a positive impact on biodiversity and contribute to conservation in Namibia.

Environmental Day commemorations

In support of the Environmental Day celebrations on 5 June 2021, the mine joined the world in commemorating the day under the theme 'Ecosystem Restoration', and to contribute to the restoration of the surrounding ecosystems.

Rössing takes part in environmental celebrations as an opportunity for promoting environmental awareness and environmental work. In 2021, Rössing approached Arandis town council and partnered with them to clean the outskirts of Arandis town-lands and the access road to the mine. The aim was to create an awareness in the community, especially around illegal dumping and littering in Arandis. The day served as a reminder to all that the world is fragile, and that as individuals and entities we need to collectively take care of our environment.

While still complying with the regulations governing gatherings during the COVID-19 pandemic, the mine employees and the Arandis community came out in numbers and cleaned the town and the access road to the mine. The Arandis town council awarded Rössing with a certificate of appreciation for collaborating on the World Environment Day clean-up campaign.

Birdwatching Day

In 2021, Rössing successfully hosted its 20th Annual Birdwatching Day. This year marks the second year since the event was hosted virtually, and with that, expanding its reach from 600 to 1,165 school learners in terms of participation. An event which was previously a privilege limited to learners from coastal schools, is now open to learners across various regions in the country.

The Rössing Bird-watching Day aims to give participants an experience to view Namibia's unique bird-life and to instill in the participants a long-term interest in birds, linked to conserving our local biodiversity.

This year the event zoomed in specifically on one bird, namely the vulture. With permission from the Ministry of Environment, Forestry and Tourism (MEFT), Rössing filmed the vultures of the Namib around Ganab in the Namib-Naukluft Park. The focus was to create a documentary about the conservation of vultures in Namibia, with the goal of the documentary being to create awareness among participating learners and the Rössing Uranium workforce about the plight of vultures and the important part they play in the ecosystem.

Rössing recognised the Regional Directorates of Education, as well as the principals and teachers for facilitating the participation of their schools in this event. From our corporate social responsibility perspective, we believe that this event has the potential to plant a seed of interest in learners to pursue and take up professions that contribute to the conservation of Namibian wildlife.

Rössing's commitment to Project Shine

Rössing was a founding member of the Project Shine initiative 14 years ago. With input from various stakeholders, the mine has sustained this project successfully over the years.

Project Shine, which is a clean-up campaign driven by the Swakopmund Municipality, aims to maintain the national roads between Arandis and Swakopmund, with the focus having now been extended to including clean-ups along the coast as well. The project is also involved in educational and environmental awareness in the community, and more co-sponsors are being sought to contribute to the continuation of the project in the future.

In 2021, Rössing donated N$100,000 to the project: the funds were earmarked for supporting Project Shine to execute its mandate of cleaning-up the roads and rolling out an awareness/education campaign. Rössing has also committed to supporting the project with an evaluator and a 4x4 vehicle on monthly evaluation sessions. By supporting such initiatives, Rössing aims to be the leader in environmental stewardship in Namibia.

Progressive rehabilitation

Progressive rehabilitation has been recognised as a key strategy for minimising mine closure liability or obligation and environmental risks. Mining activities disturb land through land clearance and infrastructures that supports mining activities. The open pit, waste rock dumps, TSF, infrastructure, and the Processing Plant account for most of the footprint (land disturbed) at Rössing. Ninety percent of the disturbed area at Rössing is in operational use; therefore, rehabilitation interventions are limited to demolishing redundant infrastructure and clean-up activities.

To leave all rehabilitation until mine closure is not best practise, therefore progressive rehabilitation is applied. Particular effort is made to demolish and clean up redundant and decommissioned facilities and infrastructure. Since this happens throughout the life-of-mine, mining activities are not interrupted and continue as normal.

The proactive, progressive rehabilitation campaign which Rössing has embarked upon in 2021 was mainly based on clean-up projects. Clean-up projects focus mostly on clearing land from waste which has accumulated at identified areas over the years, without necessarily rehabilitating the land.

The approach taken in 2021 was to pro-actively transport this waste to the final disposal areas and, in doing so, reduce the liability and associated cost at closure. Successful implementation of these projects requires thorough disposal strategies for future waste similarly generated through operations to avoid such waste from accumulating. Of the eight projects that were planned in 2021, six were successfully completed, and two are pending regulatory approval.

Progressive rehabilitation under way — (above) before rehabilitation; (below) after rehabilitation.

Land-use management

Rössing's total footprint increased from 2,558.45 ha in 2020 to 2,579.58 ha in 2021.

The waste rock dumps' footprint increased to the south-western side of the open pit. The increase is shown along the country rock contact in this area. Improvements in data collection methods have made the detection of this increase in the footprint possible.

The use of drones to survey the rock dumps has improved data coverage into areas previously deemed inaccessible, and has detected an increase of the rock dumps, which are believed to have already been there, but just not accounted for. The Rössing footprint was amended to reflect the correct size of the waste dumps. The TSF footprint remained unchanged in 2021.

Waste management

Mining operations are resource-intensive, consuming land, water, power, fuel, chemicals and construction materials to extract the metal held by the ore body. During the ore mining and metal refining processes, waste materials are produced, which consist of mineral wastes in the form of rock and process tailings, and other waste products generated by the services that support the mining process.

Mineral waste

During 2021, a total of 20.3 million tonnes of mineral waste were generated by the mine. This includes 9.6 million tonnes of tailings and 10.7 million tonnes of waste rock. At the end of December 2021, the total cumulative mineral waste stored onsite was 1,001.8 million tonnes of waste rock and 483.8 million tonnes of tailings.

Tailings were deposited on the existing Tailings Storage Facility, hence the footprint remaining the same.

The rock dumps' footprint, however, increased to the south-western side of the open pit. The increase is shown along the country rock contact in this area.

The footprints of the two mineral waste storage facilities have remained approximately the same since 2016. They cover an estimated area of 1,488 ha north-west of the Khan River and are approximately the same size as the town of Swakopmund.

Non-mineral waste

Non-mineral waste is waste material that is not generated from the mineral ore, for example redundant chemicals, conveyor belts, domestic waste, wood pallets, building rubble, scrap materials, used oils, and lubricants from maintenance activities. If waste is not stored and treated properly, it has a negative impact on the environment, as well as the health and safety of our employees.

Therefore, the aim of waste management at the mine is to promote the 3Rs to ensure that waste generated onsite is reused, recycled, recovered and disposed of in accordance with Rössing's standards, applicable laws, regulations, best practices, and permit conditions.

Rössing's open pit that currently measures 3.5 km by 1.5 km and is 390 m deep.

Waste onsite is being managed by an integrated waste management contractor appointed in December 2019. The waste contractor handles both hazardous and non-hazardous waste streams and ensure proper treatment and disposal. As part of good corporate governance, Rössing monitors all recyclable waste streams (such as used oil, scrap metal, wooden pallets, and packaging materials) sent off-site for treatment, recycling, or disposal by performing a verification assessment of contractors and facilities to confirm that the wastes are being managed correctly.

During 2021, a total of 2,984 tonnes of recyclable waste material (mainly scrap metal, paper and used oil) were removed from site by the contractor to the off-site recyclers. In terms of the recyclables, Rössing continuously promoted the 3Rs through donations of wood pallets (188 tonnes) to the vocational training centres (COSDEF, NIMT) and to the Urban Agricultural Project under the auspices of the Swakopmund Municipality. Recycling was also promoted through sales of haul truck tyres (24.5 tonnes) for re-use at the Walvis Bay harbour.

All recyclable and re-usable waste is transported from the mine site to the Rent-A-Drum sorting facility in Swakopmund and further dispatched to the contractor's refuse derived fuel plant in Windhoek, while the non-recyclable waste, including domestic waste, is disposed at the municipal landfill site in Swakopmund.

Contaminated waste includes both radioactive and non-radioactive contaminated waste materials (such as empty paint containers, air filters and processed mineral waste) that is generated from mining, workshops and as well as from the Processing Plant areas.

In 2021, 3,608 tonnes of contaminated solid waste were disposed of on the TSF, while 699.6 tonnes of oil sludge soil were disposed of at the bioremediation facility for treatment. No hydrocarbon contaminated soil was successfully treated during the year, but an alternative disposal proposal is being considered.

A total of 15.0 tonnes of garden refuse were disposed of at a dormant landfill site, while building rubble (821.4 tonnes) was disposed of at the TSF and Waste 5 at the open pit.

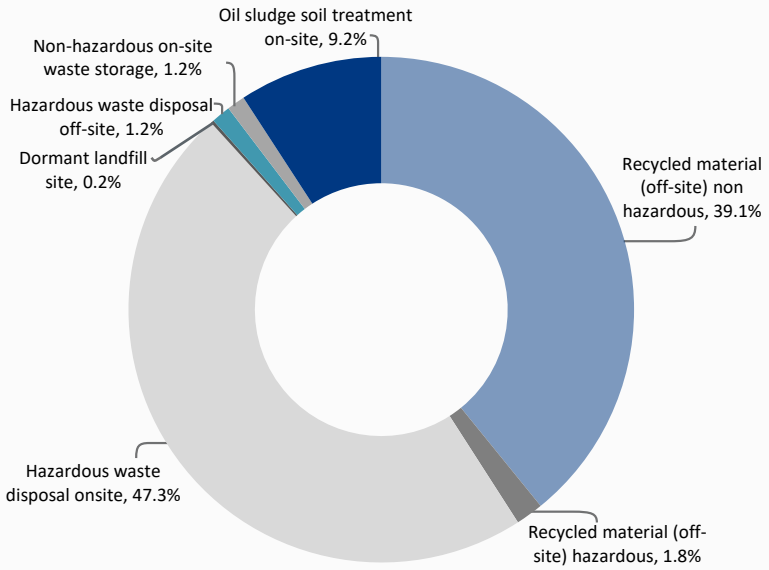
The medical waste stream is managed by the medical personnel onsite and is transported to Medixx in Arandis before it is dispatched to Walvis Bay for incineration.

During 2021, a total of 0.06 tonnes of medical waste was generated, which is less than the 0.34 tonnes generated in 2020.

The different types of hazardous waste streams generated onsite include PPE, filters, grease, redundant chemicals, batteries, used oil and other items, such as fluorescent tubes and e-waste.

We continuously ensure that our hazardous waste is managed correctly and disposed at a legally registered facility. A total of 135 tonnes of hazardous waste were recycled with the off-site approved waste handlers, while 93.05 tonnes of the non-recyclable waste were disposed of at the Walvis Bay hazardous landfill site. All waste generated and disposed in 2021 is categorised and depicted in Figure 14.

Figure 14: Waste generated and disposed of, 2021 (percentage)



Closure planning

The current Rössing mining plan foresees cessation of production at the end of 2026, which is four years from now. The mine closure plan is in place and is reviewed and updated from time to time. The plan guides and consolidates the information on closure planning, and as such it functions as a tool to gather developing knowledge on a continuous basis. The closure planning and management addresses the major socio-economic considerations, both internally and externally. The proactive strategies are put in place and implemented in a progressive manner to limit future liabilities and prevent actual risk at closure.

Various infrastructure and features are classified as per the different domains and therefore a plan exists for each domain. For example, in terms of the open pit domain: the main feature is an open pit, which will not be backfilled and is envisaged to remain a mining void, but which will be reworked to prevent access for humans and wild animals.

Other prominent domains needing to be considered in terms of closure are site infrastructure and the TSF, which also have dedicated closure intervention plans. The tailings will be managed in a manner that will prevent aeolian and fluvial soil erosion, while seepage will be recovered and allowed to evaporate in the open pit. The Processing Plant and the mine's infrastructure will be demolished as per demolition strategy and cost estimate. Waste disposal options, either in terms of recycling or disposal onsite, will be evaluated for cost effectiveness. Materials not leaving the mine site will be disposed of safely and sufficiently covered so that they cannot cause harm.

Closure planning has always been part of the business's strategic planning over the years. However, with recent changes in majority shareholder and current life-of-mine approaching, extensive closure plan reviews were held to ensure practical and achievable targets/objectives. Rössing developed implementation plans for mitigation measures and calculated the associated closure costs, which were, to a high degree of certainty, confirmed to be sufficient.

A dedicated Life-of-Mine Extension project is currently underway and based on the outcome, a closure planning pathway will be determined. If the life-of-mine is extended to 2035, the same level of closure planning and management will continue. If the approval is not granted, the closure plan needs to be progressed to execution level, containing more technical detail and higher cost-estimation accuracy than the current plan with some key studies, as well as other scientific investigations.

The Rössing Environmental Rehabilitation Fund remains well in place, with annual contributions to the fund calculated according to the current total projected costs associated with the mine closure. The contributions are made to ensure sufficient funds are available at the time of closure.

At the end of December 2021, the fund had a cash balance of N$1,252 million and the net present value of the present closure obligation (referring to the full amount of close-down and restoration costs) to which Rössing is committed to at the balance sheet date of 31 December 2021 stands at N$1,695 million, including retrenchment costs. This is based on the life-of-mine ending in 2026; if this is extended, different figures will be calculated.

CORPORATE GOVERNANCE AT RÖSSING

Business Integrity Standard

In carrying out our responsibilities, all Rössing employees, contractors, consultants, agents and suppliers will be faced with a great variety of moral challenges. The Rössing Uranium Business Integrity Standard gives guidance on how to address such challenges.

Areas covered in the Business Integrity Standard include:

- Bribery and corruption,
- Fraud,
- Benefits – Gifts and Hospitality,
- Sponsorships and Donations,
- Conflicts of Interest
- Antitrust, and
- Reporting of violations of any awareness or suspicion of a contravention of the standard.

Conducting business with integrity is specifically included under the Rössing core value of responsibility. This ensures that Rössing's reputation is protected and ensures a sustainable business with external stakeholders wanting to partner with a company that they can trust to do the right thing.

To ensure future success, Rössing must uphold its responsibility to its employees, host communities, governments, business partners, suppliers, customers and investors.

The company undertakes:

- To act in all matters in a manner that merits public trust and confidence,
- To conduct business in an ethical, law abiding, responsible manner,
- To ensure that all employees and representatives are fully aware of what is expected of them, which includes full commitment to the highest, ethical and legal standards, and
- To understand and interact constructively with the local community and to assist their development in ways which apply the principles of mutual respect, active partnership and long term sustainability.

Board of Directors

The Board of Directors executes the mandate they received from the shareholders to ensure that Rössing is a world class and responsible company by putting an executive team in place who have set targets that are to be achieved. They are, furthermore, responsible for ensuring that the company is run in accordance with their mandate as described in Rössing's Articles of Association, and that the various stakeholder interests are balanced and receive the required attention.

The company has a unitary board. The roles of the Chairperson and Managing Director are separate and distinct, and the stature of the independent directors serving on the Board ensures that enough independence is applied when making significant decisions. The Board of Directors is constituted with the appropriate mix of skills, experience, and diversity to serve the interests of the company and its stakeholders. The Board of Directors is currently constituted as follows:

Member	Role
S S Galloway	Chairperson; Independent Non-Executive Director
D L Deckenbrock	Vice-Chairperson; Independent Non-Executive Director
J S Coetzee	Managing Director; Executive Director
S Gao	CNUC Limited Shareholder Representative; Executive Director
F Li	CNUC Limited Shareholder Representative; Non-Executive Director
Y Li	CNUC Limited Shareholder Representative; Non-Executive Director
Z Fang (alternate to Y Li) Resigned 14/01/2022	CNUC Limited Shareholder Representative; Non-Executive Director
H P Louw	Acting Chairperson; Independent Non-Executive Director
O S Netta	Independent Non-Executive Director
G N Simubali	Government of the Republic of Namibia's Shareholder Representative; Non-Executive Director
CWH Nghaamwa (alternate to G N Simubali)	Government of the Republic of Namibia's Shareholder Representative; Non-Executive Director

Functions of the Board

The Board Charter governs the working of the Board of Directors, with their performance monitored by the Nominations and Remuneration Committee.

The Board is responsible for adopting a corporate strategy, major plans of action, major policies, as well as monitoring operational performance. This includes identifying risks which impact the company's sustainability and monitoring risk management and internal controls, compliance management, corporate governance, business plans and key performance indicators, including non-financial criteria and annual budgets.

The Board is also responsible for managing successful and productive stakeholder relationships. All directors carry full fiduciary responsibility and owe a duty of care and skill to the company.

The Board meets quarterly, with additional meetings convened as required, with most of the meetings held virtually in 2021.

Board Audit and Risk Committee

The Board Audit and Risk Committee is established as a sub-committee of the Board of Directors and acts in accordance with an approved mandate and terms of reference to assist the Board of Directors in fulfilling its oversight responsibilities that relate to:

- The safeguarding of assets,
- The operation of adequate systems and control processes,
- The preparation of accurate financial reporting and statements in compliance with all applicable legal requirements and accounting standards,
- The preparation of accurate and reliable operational reporting and statements, which follow all applicable legal requirements and operational standards,
- Rössing Uranium's compliance to all the relevant laws and regulations,
- Rössing Uranium's compliance to agreed-upon policies and procedures, and
- The effective implementation and compliance with Rössing Uranium's risk management process.

In performing its duties, the Board Audit and Risk Committee will maintain effective working relationships with the Board of Directors, management, the internal auditors, external auditors, and the other assurance providers and shall be entitled to place reliance on the findings of any expert, which shall include the internal and external auditors.

Board Nominations and Remuneration Committee

The Nominations and Remuneration Committee is appointed by the Board to assist in fulfilling its responsibility to the company's shareholders relating to the company's selection, nomination, performance, remuneration and succession of directors.

The Nominations and Remuneration Committee determines a remuneration structure for the Board of Directors and members of the sub-committees. The remuneration rates are subject to an annual review in February, and any increases are submitted to the Board for presentation to the Annual General Meeting for shareholder approval.

The primary purposes of the Nominations and Remuneration Committee are to:

- Identify individuals who are qualified to become members of the Board of Directors,
- Make recommendations to the Board of Directors relating to the company's selection and nomination of Directors,
- Review the results of performance assessments of Board members,
- Ensure that the appropriate procedures exist to assess the remuneration levels of the Chairperson, Vice Chairperson, Non-Executive Directors, Executive Directors, Board Committees and the Board as a whole,
- Review the policy for executive remuneration and for the remuneration and benefits of individual Executive Directors,
- Review the succession plans for Board members, and
- Review reporting disclosures related to Nominations and Remuneration Committee activities to ensure these disclosures meet the Board's disclosure objectives and all relevant compliance requirements.

The purpose of the Committee shall remain flexible to ensure that the Committee is in the best position to react to changing conditions and to assure the Board of Directors and shareholders that the company is best able to attract, remunerate and retain directors of the highest quality.

Special-purpose vehicles

The company has established two special purpose vehicles, which are managed independently of Rössing by their own set of trustees on which Rössing Board members are represented. These are The Rössing Foundation and the Rössing Environmental Rehabilitation Fund.

The Rössing Foundation was established in 1978 by Rössing Uranium through a Deed of Trust to implement and facilitate its corporate social responsibility activities within the communities of Namibia.

The trustees of the Rössing Environmental Rehabilitation Fund review the closure plans and funds put aside for the eventual rehabilitation of the mine site.

Financial statements

The directors are responsible for monitoring and approving the financial statements to ensure that they fairly present the company's affairs and the profit or loss at the end of the financial year.

The independent auditors are responsible for expressing an opinion on the fairness with which these financial statements represent the financial position of the company.

The financial statements are prepared by management in accordance with the International Financial Reporting Standards (IFRS) and in the manner required by the Namibian Companies' Act. They are based on appropriate accounting policies that have been consistently applied and which are supported by reasonable and prudent judgements and estimates.

The NamCode

Rössing Uranium has adopted the Corporate Governance Code for Namibia (NamCode), effective from 1 January 2014, and bases its corporate governance on international best practices and the King Code of Governance for South Africa 2009. Deviations from the NamCode are listed in the table below:

IDENTIFIED POINTS OF POTENTIAL NON-COMPLIANCE WITH THE NAMCODE

NamCode 16.1 The chairman should be appointed by the board every year after carefully monitoring his independence and factors that may impair his independence.	**RUL Articles of Association Art. 82** Chairman elected for a period to hold office determined by the Directors. If no period determined then Chairman shall hold office until otherwise determined by the Directors
NamCode 18.12 Companies should disclose the remuneration of each individual director and certain senior executives.	The remuneration of directors and senior management is disclosed to the majority shareholder. Rössing does not propose to disclose this information to the public.
Shareholders should approve the company's remuneration policy.	Remuneration is reviewed in detail by the Nominations and Remuneration Committee and approved in principle by shareholders.

External auditor independence

The company's annual financial statements have been audited by the independent auditors, Ernst & Young Namibia, appointed in June 2020, for a three-year period. The company believes that the auditors have observed the highest level of professional ethics and has no reason to suspect that they have not acted independently from the company. The Board Audit and Risk Committee have confirmed the independence of the external auditors for the reporting period.

Company secretary

The company secretary, Ms GD Labuschagne, is suitably qualified and has access to the company's resources to effectively execute her duties. She provides support and guidance to the Board in matters relating to governance and compliance practices across the company. All directors have unrestricted access to the company secretary.

Risk report

Risk management is a fundamental part of the company's business. This is achieved by keeping risk management at the centre of the company's activities, and by introducing a culture in which risk management is embedded in the everyday management of the business.

The Board acknowledges its overall responsibility for the process of risk management, as well as for reviewing its effectiveness. Executive management is accountable to the Board for designing, implementing, and monitoring the process of risk management, as well as integrating it with the day-to-day activities.

Internal audit

The company's internal audit and assurance function determines the scope of all internal audit activities, on a risk-based approach, with the full co-operation of the Board and management. Internal audit assessments are done by utilising the services of an independent audit firm, PriceWaterhouseCoopers, appointed in March 2020 for a three-year period.

Its objective is to assist executive management with the effective discharge of their responsibilities by examining and evaluating of the company's activities, resultant business risks, and systems of internal control. Its mandate requires it to bring any significant control weaknesses to the attention of management and the Board Audit and Risk Committee for remedial action.

Internal control

Internal control comprises methods and procedures implemented by management to ensure:
Compliance to policies, procedures, laws and regulations

- Authorisation by the implementing the appropriate review and approval procedures,
- Reliability and accuracy of data: information used in the decision-making process at Rössing needs to be accurate, timely, useful, reliable and relevant,
- Effectiveness and efficiency: all operations at Rössing need to be effective and efficient, with the most economical use of resources, and should add value, which is accomplished by the continuous monitoring of goals along the principle of 'that which is measured, is controlled', and
- Safeguarding of assets: assets are protected from theft, misuse, use for fraudulent purposes and/or destruction.

The directors are responsible for maintaining an adequate system of internal control. Such a system reduces, but cannot eliminate, the possibility of fraud and error.

The Board acknowledges its overall responsibility for risk management.

ASSURANCE AND **REFERENCES**

Assurance

Our purpose statement is to be a safe, responsible, and efficient producer and supplier of uranium to the global nuclear industry, creating maximum return for shareholders and benefits to stakeholders. We build from a foundation of compliance with relevant laws, regulations and international standards, and are in line with various Rössing Uranium guidelines on leading business practices.

Much of our work is subjected to various, external-assurance and verification processes throughout the year. For example, external auditors audit our financial statements, while an external, environmental-auditing company audits our environmental figures each year.

The following auditing companies, Government bodies and other institutions reviewed the company's practices in 2021:

- Ernst & Young (external audit),
- Deloitte Namibia (annual income tax reviews, Tip Offs Anonymous),
- PriceWaterhouseCoopers (internal audit),
- Bureau Veritas (ISO 14001:2015 surveillance and ISO 45001:2018 certification and Rössing Uranium HSSE management system business conformance),
- Emarald Africa (Critical Risk Assessment (CRA) – Business interruption and Property damage Insurance survey),
- International Atomic Energy Agency (industry control);
- AECOM and KnightPiesold (third party review of Tailings Storage Facility stability and design),
- Ministry of Labour and Social Welfare: Affirmative Action (Employment) Act, 1998 (No. 29 of 1998) (compliance verification in respect of labour-related Acts),
- Ministry of Health and Social Services (compliance verification in respect of health and related Acts),
- Ministry of Agriculture, Water and Land Reform (compliance verification in respect of effluent management and water-related Acts),
- Ministry of Mines and Energy (compliance verification in respect of mining operation-related Acts), and
- Ministry of Finance (compliance verification in respect of income tax and finance-related Acts).

List of references

Rössing Uranium procurement principles
Business integrity standard
HSSEC policy
Communities and social performance standard
Human rights policy
Risk management policy
Cash Management, Foreign Exchange & Hedging Policy

OUR VALUE ADDITION AND ANNUAL FINANCIAL STATEMENTS

The motivation to do value-added reporting is linked to the overall process of disclosure regarding financial information.

By sharing information about the value Rössing adds through its operations and business activities, the mine aims to bring into focus all aspects of the impact the company makes on the economy of the region in which it operates, as well as on Namibia's economy as a whole.

How Rössing adds value

Our value-added statement (page 66) reflects the wealth created through the sale of our uranium oxide production, payments for services to suppliers, taxes to the Namibian Government, payments to employees and the investments made in Namibian communities.

Sustainable development is underpinned by sustainable economies. Our continuing operations are based on our ability to secure access to land, people and capital. We use our economic, social, environmental and technical expertise to harness these resources and create prosperity for our stakeholders.

As a major employer and purchaser of goods and services, we make a significant annual contribution to economic development in the Erongo Region in particular, and to Namibia at large. Rössing Uranium gives rise to a significant 'multiplier effect' — the phenomenon whereby spending by one company creates income for and further spending by others. Given the prevailing market conditions, our primary focus was to procure goods and services as cost-effectively and efficiently as possible and to focus on maximising our contribution to the local economy.

Despite the prevailing market conditions and the challenges posed by COVID-19 during 2021, Rössing's total spend for goods and services for our operations was N$3.01 billion (2020: N$2.77 billion).

As during the previous reporting years, most of the procurement expenditure was on Namibian-registered suppliers.

We make a significant annual contribution to the economy of Namibia.

Most of the procurement expenditure was on Namibian-registered suppliers.

The continued increase in local spend reflects on the company's confidence to procure locally.

Rössing's spend with local suppliers amounted to N$2.25 billion (2020: N$2.17 billion), accounting for 75 per cent of our total procurement expenditure.

The continued increase in local spend reflects on the company's confidence to procure locally, also resulting in the securing of new long-term supply agreements of goods and services with some of our major suppliers, such as Dundee Precious Metals Tsumeb and Namport.

N$426 million was spent with South African suppliers, representing 14 per cent of our procurement expenditure, while we spent N$337 million with international suppliers, representing 11 per cent of our total expenditure.

Rössing remains committed to support local suppliers, including spend on developing SMEs. The bulk of the Namibian spend remains in the Erongo Region (36 per cent) and Khomas Region (50 per cent). Spend within the northern regions remains high due to the current supply of sulphuric acid agreement with Dundee Precious Metals in Tsumeb.

During 2021, we invested about N$14 million in Namibian communities, directly as well as through the Rössing Foundation.

The review period also saw us continue to demonstrate our value to Namibia through contributions to the fiscal authorities. Rössing Uranium paid the Government N$111 million in royalty tax, and N$167 million in pay-as-you-earn tax on behalf of employees. No corporate tax or dividends were paid in 2021.

Payments to public enterprises, such as NamWater and NamPower, amounted to N$464.2 million (2020: N$436.2 million), which includes the Vocational and Education Training levy of N$8.0 million paid to the Namibia Training Authority. We also spent N$764 million in net salaries and wages.

Preferential procurement and enterprise development

We remain committed to supporting Government development initiatives and the New Equitable Economic Empowerment policy framework (NEEEF) through preferential procurement. As such, we support local suppliers and significantly enhanced our data regarding supplier ownership and employment statistics, which we also report on a quarterly basis to the Namibia Competition Commission.

Of our Namibian spend, 62 per cent (2020: 43 per cent) came from suppliers that confirmed majority Namibian ownership, while 90 per cent (2020: 71 per cent) of the total Namibian spend came from suppliers that employ 75 per cent or more Namibians in their workforce.

In the category where below N$250,000 was spend, N$464 million was made in Namibia, of which 74 per cent (2020: 71 per cent) came from suppliers with majority Namibian ownership. A total of 89 per cent were from suppliers that employ 75 per cent or more Namibians in their workforce.

During the reporting year, we purchased N$86 million worth of goods and services from previously disadvantaged Namibians and local small- and medium-sized enterprises.

Our value addition

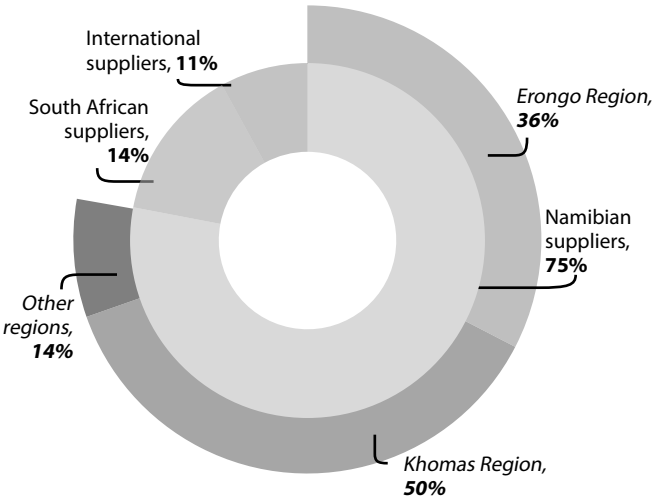
Stakeholders' Value Added Statement [1]	Notes	N$'000	N$'000	N$'000	N$'000	N$'000
For the year ended		**2021**	**2020**	**2019**	**2018**	**2017**
Turnover		4,209,937	4,421,108	2,684,574	2,835,698	2,695,803
Other income - sale of substitute concentrate / contract settlements		47,973	96,032	138,849	-	325,023
Stock movement of semi-finished and finished goods		(136,594)	(190,995)	919,397	211,000	(123,537)
Less: Purchased material and services from non-stakeholders		2,349,062	2,478,474	2,054,191	1,758,543	1,587,048
Total value added		**1,772,254**	**1,847,671**	**1,688,629**	**1,288,155**	**1,310,241**
Investment income		54,555	73,354	96,585	82,402	61,903
Release of foreign denominated cash		-	-	69,023	101,702	-
Total wealth created		**1,826,809**	**1,921,025**	**1,854,237**	**1,472,259**	**1,372,144**
Employees	1	930,459	804,969	767,289	733,504	693,259
Providers of equity capital		-	-	-	-	-
Providers of loan capital		-	-	-	-	-
Government	2	587,126	575,166	534,238	551,762	506,466
The Rössing Foundation		11,945	15,218	12,000	12,000	12,000
Reinvested in the Group	3	297,279	525,672	540,710	174,993	160,419
Total wealth distributed		**1,826,809**	**1,921,025**	**1,854,237**	**1,472,259**	**1,372,144**
[1] Stakeholders in this context: Shareholders, Government, lenders, employees and the Rössing Foundation						
Notes to the Stakeholders' Value Added Statement						
1. Employees		**930,459**	**804,969**	**767,289**	**733,504**	**693,259**
- Net salaries and wages		763,950	643,963	612,749	591,925	574,911
- Pay-as-you-earn (PAYE) taxes		166,509	161,006	154,540	141,579	118,348
2. Government		**587,126**	**575,166**	**534,238**	**551,762**	**506,466**
- Dividend		-	-	-	-	-
- Erongo Regional Electricity Distributor		602	796	949	1,262	1,701
- Mining royalty tax		111,150	128,639	77,590	87,511	77,833
- NamWater		156,373	151,944	148,147	145,890	136,887
- NamPost		1	-	-	-	-
- NamPort		4,487	5,513	2,828	2,731	2,551
- NamPower		278,875	256,828	265,211	277,560	257,389
- Rates, taxes and licences		1,784	215	224	320	231
- Namibia Training Authority		8,081	7,365	7,680	7,017	6,432
- Receiver of Revenue		-	-	-	-	-
Current tax		-	-	-	-	-
Export Levy		9,910	10,162	6,336	7,887	3,592
- Road Fund Administration		1,998	1,861	1,765	1,610	1,454
- Telecom Namibia		3,151	2,377	2,903	3,067	2,853
- TransNamib		10,714	9,466	20,605	16,907	15,543
3. Reinvested in the Group		**297,279**	**525,672**	**540,710**	**174,993**	**160,419**
- Depreciation		104,426	82,452	37,747	8,501	418,004
- Retained earnings		192,853	443,220	502,963	166,492	1,949
- Deferred stripping capitalised		-	-	-	-	(114,501)
- Deferred tax		-	-	-	-	(145,033)

Summary of Rössing's value addition

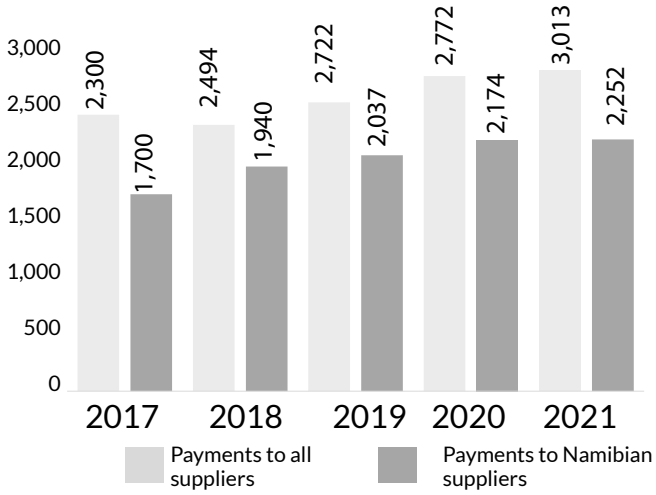
Rössing's activities in Namibia lead to a long chain of value addition throughout the country. As a major player in the procurement of goods and services, Rössing makes a significant contribution to economic development and the creation of prosperity for communities. Our business provides a strong base for economic growth in communities located in the Erongo Region and in Namibia as a whole. Our economic contribution comprises the value we add by paying wages, employee benefits and Government taxes and royalties, as well as by making dividend and interest payments and by retaining capital to invest in the growth of the mine.

In addition, we make significant payments to our suppliers for goods and services, both locally and nationally. The graphs below highlight some of the key socioeconomic contributions we have made to Namibia over the last five years, from 2017 to 2021.

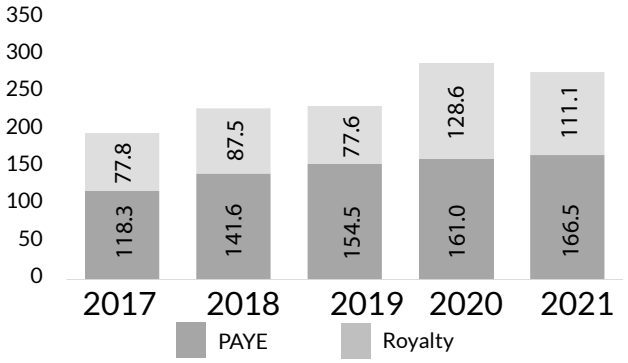
Distribution of Rössing Uranium's procurement expenditure, 2021 (percentage)



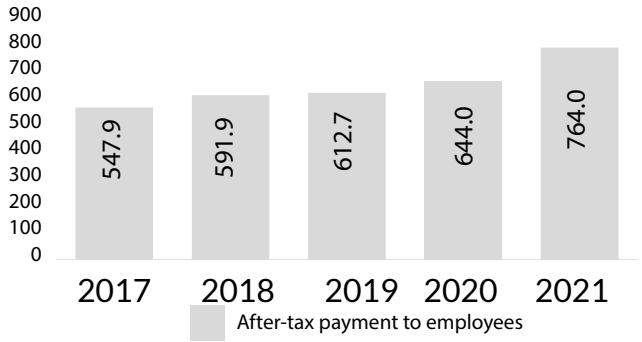
Payments to suppliers, 2017 to 2021 (N$ million)



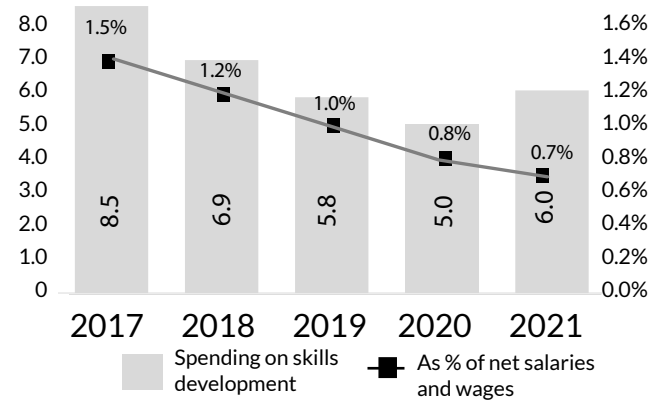
Contribution to Government revenue, 2017 to 2021 (N$ million)



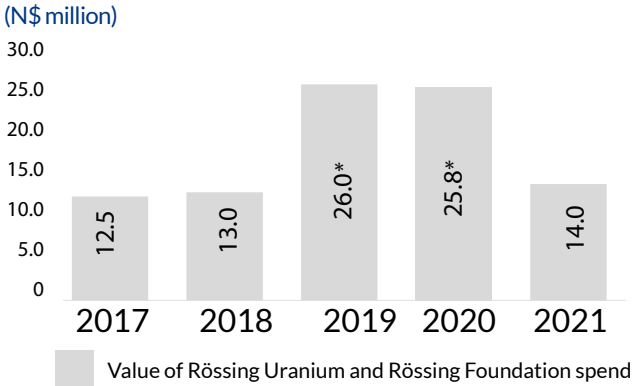
After-tax payments to employees, 2017 to 2021 (N$ million)



Contribution to skills development, 2017 to 2021 (N$ million and percentage)



Contribution to Namibian communities, 2017 to 2021 (N$ million)



** Includes N$13 million in 2019 and N$4.5 million in 2020 for the Arandis Roofing Project*

SUMMARY ANNUAL FINANCIAL STATEMENTS

SUMMARY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME AND EXPENSES

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	**Audited 2021 N$'000**	Audited 2020 N$'000
Continuing operations			
Revenue		**4 257 910**	4 517 140
Other income		**20 230**	18 297
		4 278 140	4 535 437
Operating costs		**(3 862 689)**	(3 482 004)
Depreciation, amortisation and impairment charges		**(104 426)**	(82 452)
Other net gains / (losses)		**112 458**	(478 711)
Royalties-mining		**(111 150)**	(128 639)
Operating profit		**312 333**	363 631
Finance income	4	**54 555**	73 354
Finance costs	4	**(117 225)**	(109 215)
Profit before income tax		**249 663**	327 770
Income tax	5	**12 790**	(14 313)
Profit for the year		**262 453**	313 457
Other comprehensive income for the year			
Actuarial gains / (losses) on defined benefit pension asset		**145 682**	(65 904)
Total comprehensive income for the year attributable to equity holders of company		**408 135**	247 553
Reconciliation of total comprehensive income for the year to net profit after tax from normal operations			
Total comprehensive income for the year as above		**408 135**	247 553
- Actuarial (gains)/losses on defined benefit asset		**(145 682)**	65 904
- Forex (gain) on Kalahari and Extract funds		**(69 600)**	(38 023)
- Fair value loss on Derivative Financial asset		**-**	167 786
Net profit after tax from normal operations		**192 853**	443 220

SUMMARY ANNUAL FINANCIAL STATEMENTS

SUMMARY STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Notes	Audited 2021 N$'000	Audited 2020 N$'000
ASSETS			
Non-current assets		**1 989 239**	1 719 219
Property, plant and equipment	6	**464 508**	360 301
Intangible assets	7	**27 951**	37 732
Right-of-use asset	8	**19 069**	24 450
Defined benefit pension asset		**226 155**	177 074
Rössing Environmental Rehabilitation Fund asset		**1 251 556**	1 119 662
Current assets		**3 953 543**	3 697 165
Inventories	9	**1 948 686**	1 758 405
Trade and other receivables		**208 846**	300 674
Restricted cash	10	**406 069**	398 694
Cash and cash equivalents	10	**1 389 942**	1 239 392
Derivative	11	**-**	-
Total assets		**5 942 782**	5 416 384
EQUITY AND LIABILITIES			
Equity		**2 855 465**	2 447 330
Share capital		**223 020**	223 020
Retained earnings		**2 632 445**	2 224 310
Non-current liabilities		**1 725 288**	1 637 298
Deferred tax liabilities		**-**	-
Lease liability	8	**16 823**	19 714
Post-employment obligation		**13 929**	16 911
Provision for closure and restoration costs		**1 694 536**	1 600 673
Current liabilities		**1 362 029**	1 331 756
Trade and other payables		**1 358 512**	983 791
Bank overdraft	10	**-**	342 432
Lease liability	8	**3 517**	5 533
Total equity and liabilities		**5 942 782**	5 416 384

SUMMARY ANNUAL FINANCIAL STATEMENTS

SUMMARY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	**Audited 2021 N$'000**	Audited 2020 N$'000
Cash flows from operating activities			
Cash generated by operations		**706 162**	324 398
Interest received	4	**1 848**	13 696
Interest paid	4	**(11 579)**	(9 380)
Tax paid	5	**12 790**	(14 313)
Net cash generated by operating activities		**709 221**	314 401
Cash flows from investing activities			
Intangible asset additions	7	**(8 176)**	(6 010)
Purchases of property, plant and equipment	6	**(195 670)**	(146 898)
Proceeds from sale of fixed assets		**1 332**	3 413
Contributions made to Rössing Environmental Rehabilitation Fund		**(79 187)**	(71 580)
Net cash (utilised) by investing activities		**(281 701)**	(221 075)
Cash flows from financing activities			
Payment of principal portion of lease liabilities		**(5 549)**	(11 644)
Interest accretion on leases		**(1 602)**	(2 145)
Dividends paid		**-**	-
Net cash (utilised) by financing activities		**(7 151)**	(13 789)
Increase in cash and cash equivalents		**420 369**	79 537
Cash and cash equivalents at beginning of year		**1 295 654**	1 167 931
Effects of exchange rate changes on cash and cash equivalents		**79 988**	48 186
Cash and cash equivalents at end of year	10	**1 796 011**	1 295 654

SUMMARY ANNUAL FINANCIAL STATEMENTS

SUMMARY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital N$'000	Retained Earnings N$'000	Total N$'000
Balance at 1 January 2020	**223 020**	**1 976 757**	**2 199 777**
Profit for the year	-	313 457	313 457
Other comprehensive income and expenses	-	(65 904)	(65 904)
Total comprehensive income		247 553	247 553
Balance at 31 December 2020	**223 020**	**2 224 310**	**2 447 330**
Balance at 1 January 2021	223,020	2 224 310	2 447 330
Profit for the year	-	262 453	262 453
Other comprehensive income and expenses	-	145 682	145 682
Total comprehensive income		408 135	408 135
Balance at 31 December 2021	**223 020**	**2 632 445**	**2 855 465**

NOTES TO THE SUMMARY ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1. Reporting Entity

Rössing Uranium Limited is a company domiciled in the Republic of Namibia. These are the summary annual financial statements of the company as at and for the year ended 31 December 2021. The audited annual financial statements of the company as at and for the year ended 31 December 2021 are available upon request from the company's registered office.

2. Statement of compliance

These summary annual financial statements have been prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS and disclosure requirements of IAS 34, Interim Financial Reporting and the requirements of the Company's Act of Namibia. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the annual financial statements of the company as at and for the year ended 31 December 2021.

3. Significant accounting policies

The accounting policies applied by the company in these summary annual financial statements are the same as those applied by the company in its annual financial statements as at and for the year ended 31 December 2021.

	2021 N$'000	2020 N$'000
4. Finance income and costs		
Finance income - Rehabilitation fund - Capital growth	**52 707**	59 658
Interest income - Bank balances	**1 848**	13 696
Finance income	**54 555**	73 354
Interest expense - Bank borrowings	**(11 579)**	(9 380)
Interest expense - Lease liability	**(1 602)**	(2 145)
Provisions - unwinding of discount - Non-cash item	**(104 044)**	(97 690)
Finance costs	**(117 225)**	(109 215)
5. Taxation		
Namibia - current taxation	**-**	-
Namibia - deferred taxation	**-**	-
	-	-
US Federal tax charge	**(14 313)**	14 313
Penalties and interest on US Federal tax charge	**1 523**	-
	(12 790)	14 313
6. Property, plant and equipment		
Net book value at beginning of the year	**360 301**	261 488
Additions	**195 670**	146 898
Disposals	**(836)**	(773)
Transfers	**(11 425)**	(2 054)
Depreciation charge	**(69 021)**	(45 322)
Closure cost adjustment	**(10 181)**	64
Net book value at end of the year	**464 508**	360 301

	2021 N$'000	2020 N$'000
7. Intangible Assets		
Net book value at beginning of the year	**37 732**	54 478
Additions	**8 176**	6 010
Disposals	**-**	(121)
Transfers	**11 425**	2 054
Amortisation charge	**(29 382)**	(24 689)
Net book value at end of the year	**27 951**	37 732

No impairment charge was incurred during 2021, nor was there sufficient evidence to indicate a reversal of previous impairments. In 2017, the continued decline in the uranium spot price, combined with the increasing exposure of the production to the spot market and a strengthening local currency against the US Dollar, indicated the carrying value of property, plant and equipment unsupported by future cash flows and the asset's value in use. This resulted in an impairment loss amounting to N$ 3 267 542 564 recognised in 2017 against the property, plant, equipment and intangible assets as well as a further N$ 36 583 353 against long-term inventory (refer to Note 9).

The Value in Use was used as the recoverable amount for the cash generating unit, which comprise the business as a whole, to determine the impairment. The net present value of future cash flows was used to determine the value in use, which in 2021 is estimated at a value of N$ 1 020 000 000 (2020: N$ 734 000 000) at a year-end exchange rate of USD/NAD 15.94 (2020: USD/NAD 14.68) using a discount rate of 10% (2020: 10%) and a closure discount rate of 2% (2020: 2%).

SUMMARY ANNUAL FINANCIAL STATEMENTS

NOTES TO THE SUMMARY ANNUAL FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
	N$'000	N$'000
8. Leases		
The company has lease contracts for land and buildings (including office space) and various items of mining equipment used in its operations. Leases of buildings, office space and mining equipment generally have lease terms between three and six years, while land generally have a lease term of between three and fifteen years. The company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the company is restricted from assigning and subleasing the leased assets.		
The company also has certain leases of assets with lease terms of 12 months or less and leases of office equipment with low value. The company applies the short-term lease and lease of low-value assets recognition exemptions for these leases.		
Set out below are the carrying amounts of right-of-use assets and lease liabilities recognised and the movements during the period:		
Right-of-use assets		
Opening balance at beginning of the year	**24,450**	-
Additions / Remeasurement	**642**	36,891
Depreciation	**(6 023)**	(12,441)
Closing balance at end of the year	**19 069**	24,450
Lease liabilities		
Opening balance at beginning of the year	**25,247**	-
Additions	**642**	36,891
Accretion of interest	**1 602**	2,145
Payments	**(7 151)**	(13,789)
Closing balance at end of the year	**20 340**	25 247
Lease liabilities – current	**3 517**	5,533
Lease liabilities – non-current	**16 823**	19,714
	20 340	25,247
Amounts recognised in profit or loss:		
Depreciation expense for right-of-use assets	**6 023**	12,441
Interest expense on lease liabilities	**1 602**	2,145
Expenses relating to variable lease payments, low value assets and short term leases	**29 362**	22,710
	36 987	37 296
9. Inventories		
Inventories are stated after		
- Providing for obsolescence and impairment		
- raw materials obsolescence	**33 801**	34 759
- long term work-in-progress impairment	**36 583**	36 583

	2021 N$'000	2020 N$'000
10. Cash and cash equivalents		
Cash at bank and in hand (refer to note 10.1)	**738 157**	268 590
Bank overdraft (refer to note 10.1)	**-**	(342 432)
Short term call deposit (refer to note 10.2)	**651 785**	970 802
Restricted cash – Rio Tinto sales agreement guarantee (refer to note 14)	**79 719**	73 400
Restricted cash – Iran Foreign Investment Company (refer to note 10.3)	**326 350**	325 294
	1 796 011	1 295 654

For the purpose of the statement of cash flows the year-end cash and cash equivalents comprise the above.

10.1 Cash at bank and overdraft

The company deposits cash surpluses only with major banks of high-quality credit standing. The overdraft is unsecured.

10.2 Short term call deposit		
Investment on call deposit	**970 802**	577 278
(Drawdown)/Replenishment of funds	**(388 617)**	355 501
Forex gains on funds	**69 600**	38 023
Closing Balance	**651 785**	970 802

10.3 Restricted cash – Iran Foreign Investment Company

The restricted cash relates to historic dividends that are payable to the Iran Foreign Investment Company shareholder. The transfer of the funds was restricted in terms of UN Security Council Resolution 1929. The board is actively investigating the potential payment of these dividends within the legal ambit of the remaining sanctions on the restriction.

In November 2019 the funds were converted to a deposit denominated in Euro at the request of the shareholder and was valued at EUR 18 004 351 on date of conversion. The initial investment matured on 18 November 2020 and the maturity value of EUR 18 031 808 was reinvested in 2020. Upon maturity on the 18 November 2021, the amount of EUR 18 007 590 was re-invested to mature on 2 March 2022 and earns interest at a rate of -0.60% (2020:-0.28%) per annum. This interest accrues to the shareholder. The EUR deposit remains under control of the company.

SUMMARY ANNUAL FINANCIAL STATEMENTS

NOTES TO THE SUMMARY ANNUAL FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 N$'000	2020 N$'000
11. Derivative		
Opening balance at beginning of the year	-	167 786
Fair value (losses) / gains through profit or loss - after initial recognition	-	(167 786)
Closing balance at end of the year	-	-
Forward exchange contract – non-current	-	-
Forward exchange contract – current	-	167 786
	-	167 786
Amounts recognised in profit or loss:		
Fair value (losses) / gains	-	(167 786)
Realised foreign exchange (losses) / gains	-	(152 242)
	-	(320 028)

On 15 November 2018 the company concluded hedging contracts in line with the proposed strategy as approved by the Board. Monthly lots of USD 12 500 000 were converted during 2019 and 2020 at increasing rates up to the last trade on the 1st of December 2020. An average rate of USD/NAD 15.4907 was achieved in 2020 (2019: USD/NAD 14.7998). The hedge transaction was secured against USD 30 000 000 collateral on short term call deposits up until the 1st of December 2020. No hedging contracts were taken in 2021.

12. Capital commitments

Capital expenditure contracted but not yet incurred as at 31 December	**18 873**	4 178

13. Unconditional purchase obligations

The company has entered into minimum off-take agreements with the suppliers of sulphuric acid for the next year as well as commitments with regard to imports of manganese within one year. The total undiscounted amount at the year-end amounted to N$ 337 841 101 (2020: N$ 287 570 776).

14. Guarantees

In 2017 the Company entered into an amended marketing arrangement with Rio Tinto Marketing Singapore Pte (RTU). The arrangement allows for more flexibility regarding the delivery on sales commitments through a margin scrape mechanism whereby RTU could be instructed to buy and sell material on behalf of the Company and only remitting the margin scrape differential on the transaction to the Company. In order to facilitate this arrangement, the company issued a financial guarantee to RTU of USD 5 000 000 with a value at year end of N$ 79 719 388 (2020: N$ 73 399 883) in terms of the requirements of the amended agreement.

During 2021 the company entered in an arrangement with IHC South Africa (Pty) Ltd (IHC) whereby Standard Bank Namibia issued a letter of credit in favour of IHC. The letter of credit (LC) related to the Roaster 1 replacement project and included predetermined milestones upon which payments would be issued to IHC directly by the bank following the required stage of completion and approval by the company. The total value of the LC is N$ 26 984 764 of which N$ 16 865 478 has been released and paid to IHC as at year-end based on the milestones achieved. The remaining value of the LC as at year-end amounted to N$ 10 119 286.

	2021	2020
	N$'000	N$'000

15. Related parties

The company is controlled by CNUC Namibia Mining Limited (previously known as Skeleton Coast Diamonds Limited, name change effective 15 August 2019) which owns 68,6% of the Company's issued shares. The remaining 31,4% of the shares are widely held and includes a 3.4% shareholding by the Government of Namibia. The ultimate holding company is China National Nuclear Corporation Limited, a company registered in China. All other subsidiaries of China National Nuclear Corporation Limited is regarded as related parties. The following transactions were carried out with related parties:

Summary of related party transactions

Sales to Related Parties	**2 635 578**	2 620 184
Other income from Related Parties	**2 272**	2 086
Purchase of Product and Services	**74 183**	58 102
Receivables from Related Parties	**90 205**	53 146
Payables to Related Parties	**6 827**	1 356
Transactions with Government, State-owned and Semi-State-owned enterprises	**587 126**	575 166

16. Fair Value of Financial Instruments

At 31 December 2021, the carrying amounts of cash and short-term deposits, trade accounts receivable, trade accounts payable, accrued expenses and current interest-bearing borrowings approximated fair values due to the short-term maturities of these assets and liabilities.

17. Market risk - foreign exchange risk

The company is exposed to foreign exchange risk arising from various currency exposures, primarily to the US dollar. Foreign exchange risks arise when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency. Derivatives are only used for economic hedging purposes to hedge the foreign exchange risk against the functional currency and not as speculative instruments. Where derivatives do not meet the hedge accounting criteria, it is classified as “held for trading” and for accounting purposes and are accounted for at fair value through profit or loss. Derivative financial instruments are presented as current assets or liabilities to the extent that they are expected to be settled within 12 months after yearend.
At 31 December 2021, there was no derivative asset or liability.

At 31 December 2021, if the currency had weakened /strengthened by 10% against the US dollar with all other variables held constant, post-tax profit for the year would have been N$ 63 052 724 (2020: N$ 75 687 457) higher/lower, mainly as a result of foreign gains or losses on translation of the US denominated intercompany receivables, trade receivables and cash equivalents.

SUMMARY ANNUAL FINANCIAL STATEMENTS

NOTES TO THE SUMMARY ANNUAL FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

COMPANY OPERATIONAL AND FINANCIAL REVIEW

Financial performance

Revenue was lower than 2020 by 6%, with 11% increase in sales volumes year on year. The pandemic has also continued to result in significant volatility in the financial and commodities markets worldwide. The ZAR strenghtened significantly against the USD in 2021. This had the most significant impact on our results. Short-term supply disruptions impacting pricing on major production input materials notably on sulphuric acid and ammonia had a direct impact on the cost base. The business resilience and ability to adapt the operations at short notice meant the company could still deliver on production and sales contracts. However the impact of the exchange rate combined with cost pressures resulted in a reduced net profit after tax from normal operations of N$ 193 million (2020: N$ 443 million). Further details of the company's financial performance are set out in the summary statement of profit or loss and other comprehensive income.

Operations

Production of uranium oxide for the year was 2 882 metric tons compared to 2 489 metric tons in 2020. A total of 20 721 716 metric tons (2020: 19 370 510 metric tons) were mined from the open pit and 9 622 798 metric tons (2020: 8 718 593 metric tons) of ore were milled. The mine is currently operating on an approved Life-of-Mine Plan to 2026 (2020: 2026).

Dividends

No dividends were declared during the year (2020: No dividends declared).

Holding Company and Ultimate Holding Company

The company's immediate holding company is CNUC Namibia Mining Limited (previously Skeleton Coast Diamonds Limited, name changed effective 15 August 2019), a company registered in Namibia. China National Nuclear Corporation Limited, registered in China, is the company's ultimate holding company.

Impacts of COVID-19

The Covid-19 pandemic significantly impacted the world economy in 2020 and throughout 2021 and may continue to do so in the years to come. In an effort to stem the growth in cases, Namibia has been placed on various levels of lockdowns throughout the 2021 financial period. The mining industry in Namibia have been deemed as an essential service as defined and we have continued to operate mostly unaffected during all the various levels of lockdown. The various measures in response to the pandemic taken by government's both locally and internationally impacted the company's business in various ways:

- Short-term supply disruptions impacting pricing on major production input materials, notably on sulphuric acid and ammonia.
- Global supply chain disruptions resulting in delays in logistical arrangements for exporting uranium.
- The pandemic has also continued to result in significant volatility in the financial and commodities markets worldwide.

The business resilience and ability to adapt the operations at short notice meant the company could still deliver on production and sales contracts. In addition, measure taken by the government to alleviate liquidity with a focus on more efficient refunds of VAT also assisted the company's liquidity position.

The directors have considered the potential impacts on the company by taking several factors into consideration, including macro-economic impacts, future revenue contracts and the past experiences of navigating through the pandemic. Therefore, in line with these considerations the annual financial statements have been prepared based on accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

Auditors opinion

The summary results for the year ended 31 December 2021 have been audited by Ernst & Young Namibia. The auditor's unqualified opinion is available for inspection at the company's registered office.

Directors

H P Louw* (Acting Chairman), S S Galloway (Chairman), D Sauls-Deckenbrock (Vice Chairman), J S Coetzee (Managing), S Gao** (Executive), F Li**, Y Li** (alternate Z Fang**), O S Netta, G N Simubali (alternate C W H Nghaamwa).

*South African **Chinese

Appointments

S S Galloway (Chairman)	16 February 2022
D Sauls-Deckenbrock (Vice Chairman)	16 February 2022
O S Netta	16 February 2022
S Gao	16 February 2022

Resignations

Z Fang (alternate)	14 January 2022

Deceased

F L Namene	31 July 2021

Company Secretary

G D Labuschagne
P O Box 22391
Windhoek

Auditors

Ernst & Young Namibia
PO Box 1857
Windhoek

One of the mine's haul trucks at the mining stockpiles.

Performance data table

	2021	2020	2019	2018	2017
Employees					
Number of employees	**943**	955	1,000	967	956
Production					
Uranium oxide produced (tonnes)	**2,882**	2,489	2,449	2,479	2,110
Ore processed ('000 tonnes)	**9.623**	8,718	8,006	8,851	9,000
Waste rock removed ('000 tonnes)	**10,702**	9,979	13,300	11,459	15,110
Ratio of ore milled to waste rock removed	**0.90**	0.87	0.60	0.77	0.63
Health, safety and environment					
Musculoskeletal illnesses	**1**	0	0	0	0
Respiratory illnesses	**0**	0	0	0	0
Dermatological illnesses	**0**	0	0	0	0
Noise-induced hearing loss (NIHL)	**0**	0	0	0	1
All-injury Frequency Rate (AIFR)	**0.29**	0.34	0.49	0.83	0.39
All-injury Frequency Rate (AIFR) target	**0.51**	0.61	0.61	0.35	0.67
Number of lost-day injuries	**4**	2	2	7	3
Source dust levels at Fine Crushing Plant (mg/m^3)	**0.18**	0.44	0.30	0.05*	2.37
Freshwater consumption ('000 m^3)	**2,724**	2,512	2,578	2,883	2,998
Freshwater usage per tonne of ore milled (m^3/t)	**0.28**	0.29	0.32	0.33	0.33
Ratio of fresh water:total water	**0.35**	0.33	0.33	0.36	0.40
Seepage water collected ('000 m^3)	**2,005**	2,084	2,097	2,703	2,083
Energy use onsite (GJ x 1,000)	**1,230**	1,251	1,297	1,193	1,321
Energy use per tonne of ore processed (MJ/t)	**127**	143	162	135	147
CO_2 total emission (kt CO_2 equivalent)	**149.0**	147.2	151.4	148.7	157.4
CO_2 equivalent emission per tonne of production (e/t uranium oxide)	**51.7**	59.1	61.9	60.0	74.2
Product and customers					
Uranium spot market price (US$/lb) (average)	**34.92**	29.60	25.91	24.59	22.16

* These measurements were done with PM_{10} (real-time) instruments which differs from the gravimetric sampling instruments that were used in previous years.

Rössing Uranium's production of uranium oxide and the nuclear fuel cycle

Uranium is a relatively common element that is found in the earth all over the world, mined in many countries and processed into yellow cake, that is, uranium oxide (U_3O_8). Uranium oxide has to be processed before it can be used as fuel for a nuclear reactor, where electricity is generated to produce heat and steam in order to drive a turbine connected to a generator.

Rössing Uranium's operations

1. Drilling and blasting
Through drilling, blasting, loading and hauling, the uranium ore at Rössing Uranium is mined. Due to the erratic distribution of minerals in the ground, waste and ore are often mixed. Radiometric scanners measure the radioactivity level of each truckload, determining whether the material is sent to the primary crushers or to the stockpiles. Waste is transported to a separate storage area.

2. Crushing
Ore is delivered to the Primary crushers by haul trucks and then taken by conveyor to the coarse ore stockpile. It passes through a further series of crushers and screens until the particles are smaller than 19 mm. After weighing, the fine ore is stored.

3. Grinding
Wet grinding of the crushed ore by means of steel rods reduces it further to slurry with the consistency of mud. The four rod mills, which are 4.3 m in diameter, are utilised as required by production levels and operate in parallel.

4. Leaching
A combined leaching and oxidation process takes place in large mechanically agitated tanks. The uranium content of the pulped ore is oxidised by ferric sulphate and dissolved in a sulphuric acid solution.

5. Slime separation
The product of leaching is a pulp containing suspended sand and slime. Cyclones separate these components and, after washing in roto scoops to remove traces of uranium-bearing solution, the sand is transported via a sand conveyor to the Tailings Storage Facility.

6. Thickening
Counter-current decantation thickeners wash the slimes from previous stages. A clear uranium-bearing solution ('pregnant' solution) overflows from the thickeners, while the washed slime is mixed with the sands and pumped to the tailings area.

7. Continuous ion exchange
The clear 'pregnant' solution now comes into contact with beads of specially formulated resin. Uranium ions are adsorbed onto the resin and are preferentially extracted from the solution. Beads are removed periodically to elution columns. There the acid wash removes the uranium from the beads. The resulting eluate is a purified and more concentrated uranium solution.

8. Solvent extraction
The acidic eluate from the Ion exchange plant is mixed with an organic solvent which takes up the uranium-bearing component. In a second stage, the organic solution is mixed with a neutral aqueous ammonium sulphate solution which takes up the uranium-rich 'OK liquor'. The acidic 'barren aqueous' solution is returned to the elution columns.

9. Precipitation
The addition of gaseous ammonia to the 'OK liquor' raises the solution pH, resulting in precipitation of ammonium diuranate, which is then thickened to a yellow slurry.

10. Filtration
The ammonium diuranate is recovered on rotating drum filters as yellow paste, known as 'yellow cake'.

11. Drying and roasting
Final roasting drives off the ammonia, leaving uranium oxide. The final product is then deposited in metal drums. Neither ammonium diuranate nor uranium oxide are explosive substances.

12. Loading and dispatch
The drums of uranium oxide are dispatched and exported to overseas converters for further processing. At full capacity, the Processing Plant can produce 4,500 tonnes of uranium oxide each year. **This step completes the Rössing Uranium production process.**

Our customers' operations

13. Conversion
The uranium oxide is converted to uranium hexafluoride crystals. Conversion plants operate commercially in Canada, China, France, the UK, and the US. *

14. Enrichment
This step increases the concentration of the isotope uranium-235 (^{235}U) from its naturally occurring level of 0.7 per cent to higher levels required for nuclear reactors — about 3 per cent. *

15. Fabrication
Enriched uranium is converted into uranium dioxide, formed into solid cylindrical pellets, sealed in metal fuel rods, and bundled into fuel assemblies. *

16. Power generation
Fuel assemblies are loaded into nuclear reactors where the ^{235}U fissions, producing heat and steam used to generate electricity.
(*Photos: www.areva.com)

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Get in touch

We are committed to a culture of transparency and encourage employees, contractors and other stakeholders to speak out.

- Please contact us for any feedback, comments, concerns or suggestions about this report. You can either send us a text message to +264 81 143 3627, email to RUL.communications@rossing.com.na or fax to +264 64 520 1506.
- Please contact us should you want to lodge a complaint about Rössing Uranium. You can send an e-mail to concerns.rossing@rossing.com.na.
- Are you aware of, or suspect, any fraudulent behaviour? Use the Deloitte Tip-offs Anonymous whistleblowing facility by:
  - phoning the dedicated toll free number 0800 654 321
  - sending a mail to the unique e-mail address rossing@tip-offs.com, or
  - make use of the Deloitte Tip-Offs Anonymous website www.tip-offs.com from which a tip-off report may be sent.