MINUTES OF MEETING

MEETING	Public participation meeting: Walvis Bay	DATE	FILE NAME
VENUE	Pelican Bay Hotel	22 Oct 2004	lhumin.ppm.2004.10.22.doc

ATTENDEES	APOLOGIES
As per attendance register lhuppmatreg.2004.10.22.	Johan Slabbert.

DISTRIBUTION	Ministry of Environment and Tourism (Connie Claassen), as per attendance register lhuppmatreg.2004.10.22 and registered interested and affected parties.

Item	Minutes/notes
1.	**Introduction** JFCF welcomed everybody to the meeting and presented the agenda for the meeting.
2.	**Paladin Resources Ltd presentation – John Borshoff** JB introduced the project team and gave an overview of the following: • historical background of uranium and its demand, current trends in the uranium market and the future outlook for uranium, • company profile of Paladin Resources Ltd and their current projects, and • the Langer Heinrich uranium project.
3.	**Question (Q) and response (R) session**

Q	KK	The media was approached by concerned people from Swakopmund this morning, after the meeting of last night, regarding the proposal to open a new uranium mine. [This was later confirmed to be one lady that phoned one newspaper.]
R	JB	The dosages the workforce will be exposed to are very low and comply with international safety regulations. The mine will establish environmentally sound practices.
	LEP	This issue was never mentioned at the meeting in Swakopmund yesterday evening.
	JFCF	This is a surprise, there were a large number of valuable input received and some tough questions, but this was not the impression gained from last night's meeting.

4.	**Softchem presentation – Francois Friend** JFCF introduced the Softchem project team and gave a brief description of the environmental assessment (EA) process. The presentation then addressed the environmental assessment study completed for the Langer Heinrich uranium project and the contents of the EA draft report.
5.	**Question (Q) and response (R) session**

Q	KW	Do I understand this correct, you need 13 million m^3 of water for the plant?
R	JFCF	No, that is the amount of water that is currently available in the coastal region on a sustainable basis. The mine will use between 800,000 m^3 to 1 million m^3 per year.
Q	KW	How high is the recharge of the aquifer? How high the surface flow in the recharging rivers?
R	LEP	NamWater and the Department of Water Affairs monitor the recharge of the aquifer.
	JB	We rely on NamWater's predictions and data.
Q	KW	Have you thought about erecting a desalination plant.
R	JB	We are not responsible for the whole country's water supply.

5.	**Question (Q) and response (R) session (continued)**		
	R	AB	Presently 10.4 million m^3 water is used in the area with 12.6 million m^3 water sustainably available, so the amounts presented by Softchem of 11 million m^3 and 13 million m^3 are correct. Good management practices and upgrading of infrastructure can increase the above-stated available amount to 16 million m^3 per year. However, should the decision be taken that a desalination plant will be necessary in the next years, all stakeholders have to contribute and this includes Langer Heinrich Uranium mine.
		JB	We know that water is a scarce commodity in Namibia.
	Q	LEP	Are there any plans that water might be transported from the North?
	R	AB	This will not work as the distance is too long, over 450 km.
	R	KL	A project exists to tap the Okavango river to supply the central regions. Plans to establish a desalination plant at the coast were discussed a few years ago and never got of the ground due to financial constraints.
	R	AB	The desalination plant you referring to was proposed to generate approximately 4 million m^3 per annum, which would have costed N$ 200 million. However, if you look at a desalination plant that only produces 1 million m^3 per year, the cost will decrease to N$ 50 – 60 million.
	Q	PVW	Did NamWater indicate that they will increase the number of boreholes?
	R	LEP	Yes.
	Q	PVW	Will NamWater also upgrade the existing infrastructure?
	R	JB	I can not answer that question, but we will follow it up with them.
	R	AB	The bulk water committee, which is meeting quarterly, will look at this matter as well.
	Q	KW	Do you intend to use potable water for dust suppression?
	R	DB	That is correct.
	R	KW	Rössing is not using potable water for dust suppression.
	R	DB	We will recycle as much water as we can. A reservoir to store recycled water on site has been planned for.
6.	**Process plant presentation – Darryl Butcher** DB gave an explanation of the various process plant to be used for producing the final product, giving design reasons for certain plant selections.		
7.	**Question (Q) and response (R) session**		
	Q	KW	Will you use the water in the dam, which is situated near the mine.
	R	DB	Maybe, we have to assess that option.
	Q	KW	I am talking of the small dam situated at Tinkas. Did you assess the option to store run-off during rain events?
	R	DB	As I have said, we will look at the option to use the water from the dam as well as to use rainwater. We might need a permit to use the water of the dam.
		LEP	The water on the mining area does not flow to the dam in question, nor does overflow from the dam flow to the mine. They are two separate catchment areas.
	Q	AB	Quite a high amount of water goes to the tailings dam at Rössing mine. As I understood the Langer Heinrich Mine will use paste disposal to try and recycle more water and the tailings will have a central decanting facility.
	R	TS	The filtering product is still being assessed and the final process has still to be confirmed with the engineers.
		DM	At present will assess the option of pressure filtration of the 500-micron material. So far a few problems occurred and it seems not workable as it is. At the moment trials are in process to mix the finer material with coarser grain fraction to enable this process. We still await the results.

7.	Question (Q) and response (R) session (continued)		
	Q	KW	Coming back to the dam at Tinkas, have you met with Mr Lernsen, he has over 20 years experience in the Namib Naukluft Park.
	R	DB	Yes, and Mr Lernsen was present at the meeting in Swakopmund yesterday evening.
	Q	PVW	Did I understand the production will be 1,000 t per year.
	R	JB	Yes, all this information will be available from the Langer Heinrich website.
	Q	WT	How far away are you from making a final decision if the project will go ahead?
	R	JB	Currently we wait for GRDMinproc to finalise their studies of the bankable feasibility study. So far we can concede to the public that we will have talks with the Namibian Government in February 2005.
	Q	KW	Would it not be more useful to conduct a strategic environmental assessment? This would include the following aspects: influence of the mining process on the water situation, the threat of poaching, benefits to the park, establishing if there are any endangered fauna or flora species in the area.
	R	JFCF	All the aspects you just mentioned are included in the EA draft report. We also will look at possible direct benefits to the park not only to the country, for example, useful proposals last night during the Swakopmund meeting included contributing to animal counts, research projects, etc.
	R	KW	Mr P Brickford just finalised the vultures weighting for this year in the Gemsbokvlakte and Gammams areas. It would be great if in future this activity could be sponsored.
	R	LEP	I would like to come back to the poaching issues you mentioned earlier. Poaching will not be a problem on site, as the workforce will not be allowed to leave the mining area.
	Q	WT	Is it possible to obtain a hard copy of the presentation? Who is the company in Australia standing behind this project? How is it run?
	R	JFCF	If we have your details we will forward a copy to you.
	R	JB	Paladin Resources Ltd is the company in Australia. I have been in parts of Africa since 1980 and LEP since 1971. We are familiar with the conditions in this area. We currently built a team with the operational head in Australia. GRDMinproc has very good expertise in uranium and engineering of uranium mines.
		DM	We are incorporating the latest technology available into the processes.
	Q	SR	Have you looked at archaeological sites and how to preserve them?
	R	LEP	Archaeological sites in this area only occur in rocky/mountainous areas and will not be affected by the mine itself.
		JFCF	An archaeological study was conducted by Dr J Kinahan. All sites found in the mining area and its surrounding will not be affected by mining.
	Q	KW	Do you know how often the river (Gawib river) in the Langer Heinrich valley flows?
	R	LEP	The river has never had a substantial flow since Gencor started exploration in the area (1973).
		DM	Protection barriers and other engineering means will be erected to divert any potential run-off.
	Q	KW	Do you have a rehabilitation/decommissioning plan?
	R	JFCF	A fund will be established to cover ongoing rehabilitation activities and final decommissioning.
	Q	PVW	What type of road surface will you have?
	R	DB	We decided against tarring as the environmental damage is to high. We do not see that a good maintained gravel road proofs to be any safety risk.

7.	**Question (Q) and response (R) session (continued)**		
	Q	PVW	I advise you to speak to Skorpion Zinc Mine management and their experiences regarding this issue.
	R	DB	I have over 25 years of mining experience and no accident ever occurred on any site I was responsible for. As mentioned earlier no private vehicle will be allowed on site.
		TS	I was involved with Skorpion and travelled the road myself. All accidents can be related back to driver errors.
	Q	ML	What is your electricity use?
	R	DB	We will need a 12 MW load.
	Q	KW	Have you thought about EPZ status? Will you have to pay tax in Namibia?
	R	JB	We still have to discuss that issue with the Namibian Government. We like to see a situation where we would extend the life of the mine to, for example, 20 years, but get a tax reduction in certain fields. A decision will probably be taken in December 2004.
	Q	PVW	Regarding the marketing aspect, did you include any of your other uranium projects in Australia?
	R	JB	At present the production from Australia is 9,000 – 10,000 t/year, 12,000 – 15,000 t/year in Canada and a significant proportion comes from the Kazakhstan region. ERA has only 5 years of life left and Jabiluka has to be debated with the local owners.

8. Closure

JFCF thanked the audience for the good attendance and valuable input into the project.

The minutes will be distributed to all people present and will also be made available on the internet at www.softchem.co.za under news items.

The full environmental assessment draft report is available from the following link:

http://www.paladinresources.com.au/ under investor relations.