

REPUBLIC OF NAMIBIA

MINISTRY OF AGRICULTURE, WATER AND LAND REFORM

QUESTION NO. 5 and NO. 11

RESPONSE TO QUESTIONS BY HON. JAN VAN WYK (UNITED PEOPLES MOVEMENT (UPM)

29 FEBRUARY 2024 NATIONAL ASSEMBLY

Honourable Speaker;

I rise this afternoon to respond to questions posed by Honourable **Jan Van Wyk of UPM**. I welcome the questions and I would like address the questions in the order they were listed:

Firstly, allow me to provide this background on the Headspring Investment Exploration activities:

Headspring Investment (Pty) Ltd has been awarded 8 (eight) Exclusive Prospecting Licenses (EPL's) for base and rare metals and nuclear fuel minerals. The EPL's are in the Omaheke, Leonardville area, and Hardap Regions. Our understanding is that, Headspring is owned by Uranium One, which is further owned by ROSATOM, the Russian Government's atomic energy company.

Headspring has thus been drilling for exploration of base and rare metals as well as nuclear fuel minerals on these EPLs since 2012. The company to date has drilled about 600 exploration boreholes and 36 hydrogeological /monitoring boreholes on 39 farms. The drilling activities were carried out after Headspring obtained Environmental Clearance Certificates (ECCs) from the Ministry of Environment, Forestry and Tourism (MEFT), and drilling permits from the Ministry of Agriculture, Water and Land Reform (MAWLR).

We are informed that the exploration licenses were granted after an environmental clearance certificate was issued for the exploration activity. At this point I need to emphasise that an environmental clearance certificate does not mean that provisions in other statutes, in this case the Water Resource Management Act No. 11 of 2013 no longer binding.

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The drilling permits that were issued contained conditions which were required to ensure the safety of the groundwater resource. The Permits were withdrawn, as per letter dated 09 November 2021, due to the company's non-compliance with some of the drilling permit conditions as issued by MAWLR.

Now, I shall attempt to answer your questions as posted:

1. Is the Ministry aware that Headspring Investment still continues with drilling activities?

As far as the Ministry is concerned, there have not been drilling activities since the withdrawal of the drilling permits. MAWLR staff members have been conducting compliance monitoring visits in the Stampriet Artesian Basin area, including the area of Leonardville, where Headspring Investment have been conducting exploration activities. During these compliance visits, we have not observed any drilling activities by Headspring Investment, unless otherwise.

2. Did Headspring Investment return Permit No. 11561 and Permit No: 11562 to the Ministry for the cancellation? If not, what will the consequences be?

Yes, the cancelled permits have been returned. However, it is essential to be informed that the borehole drilling licence has a validity period of three years. After this period, if further drilling is required, a new licence must be applied for. Non-compliance with these regulations is considered a violation, and according to the newly enacted Water Resource Management Act No. 11 of 2013, penalties can be imposed by the Minister as stipulated in the Act.

3. When last did your Ministry visit the site and what the number of boreholes?

After the cancellation of the permits, the Ministry visited the area four times, and the most recent visit to the area was from 25th to 30th January 2024. During both visits, no drilling activities by headspring were observed.

With regards to the number of boreholes drilled so far, since 2012, the company has drilled about 600 exploration boreholes and 36 hydrogeological / monitoring boreholes on 39 farms. As of February 2024, the Ministry received from Headspring Investment applications to drill further 261 boreholes for nuclear fuel minerals exploration, 36 boreholes for radionuclides observation; and 7 boreholes for monitoring and control, citing the possession of valid ECCs and renewed EPLs.

Section 61(1) of the Water Resource Management Act No. 11 of 2013 states that: "Despite any other law, or authorisation granted by a competent authority under any other law, a person who, for the purpose of exploring for or extracting minerals or any other substance, other than groundwater, proposes to drill a borehole, deepen or enlarge an existing borehole, or make or deepen an excavation in the ground to the level or below the level of the water table, <u>may not commence with work in that regard unless the person, has applied for and has been granted a borehole licence by the Minister to undertake such work</u>". Thus the Ministry will not be issuing licence for now.

4. What are the environmental impacts caused by the disregard of the drilling specifications and how will these impacts be mitigated

The drilling specifications in the Stampriet Aquifer are designed to prevent the mixing between the overlying Kalahari aquifer waters and the underlying Auob aquifer waters and also to conserve the artesian nature of the Auob by preserving the confining layer (the Rietmond) between the two aquifers.

The Auob aquifer has good-quality water throughout the basin; whereas the Kalahari aquifer has water of inferior quality in certain areas within the Stampriet Basin. Any drilling that disregards the provided specifications would destroy the confining layer between the two aquifers and contamination would percolate unhindered through holes to the Auob aquifer.

The pollution risk will be extremely difficult to manage and can lead to disastrous environmental consequences that will require costly remediation efforts at great later stages. There is the serious risk that exploration and later mining activities to be conducted by the license holder, Headspring Investments, will endanger the groundwater in Namibia and parts of South Africa and Botswana, destroying the economic basis for the entire region.

Immediate mitigation measures that would be appropriate to mediate the impacts are re-grouting the holes from the bottom to the top every 10 years. Sealing of the illegally drilled exploration boreholes is also a mitigation measure that can be imposed as per licence conditions.

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The far greater risk, that of in situ mining and consequential discharge of tailings back into the aquifer and resultant solution of the aquifer is a matter that needs very careful consideration. We have requested expert advice and technical assistance from UNESCO and the International Atomic Agency and other development partners to enable us to take decisions on the way forward that are scientifically based.

5. When will Headspring Investments stop its drilling activities?

As of February 2024, Headspring Investment applied for drilling for exploration boreholes, with their newly renewed EPLs. This is a sign that they still want to continue drilling, if licences are granted to them. However, the MAWLR is not in a position to grant such licences until the full expert advice on the impact of numerous exploration boreholes are drilled and that of in situ leach mining.

6. What action will your Ministry and Government take against Headspring Investments for the gross violations and noncompliance to your letter dated 09 November 2021?

Since the withdrawal of the permits in November 2021, no drilling activities have been observed.

Moving forward, the inter-ministerial Technical Committee, as established by Cabinet to deliberate on the impact of exploration and drilling activities of Headspring Investment in Stampriet Aquifer, and that has concluded its joint investigation; is waiting for an opportunity to present its findings to the Ministerial Committee. It is expected that the final verdict will be derived at on whether further nuclear fuel minerals exploration should be allowed in Water Protection Areas such as Stampriet Aquifer. Although no mining activities are taking place, the number of boreholes drilled has ignored the licence conditions of proper sealing and grouting. My Ministry will soon be issuing a Government Notice prohibiting the exploration and mining activities that will negatively impact the water resource, riverine habitat, water basin in order to maintain the human safety, protect the environment, and ensure legal adherence, in the Stampriet Basin.

As I conclude, Honourable Speaker, Honourable Members, I would like to iterate on the importance of protecting the groundwater resources of the Stampriet Aquifer. It is the only source of water for about 80,000 people of Omaheke and part of the Hardap Regions for their domestic, livestock and irrigation supply. A large proportion of Namibia's food security is produced from there; these include grains, meat, fruit and vegetable produce.

While the major part of the Stampriet Aquifer is in Namibia, the rest transcend into South Africa and Botswana, making it a transboundary aquifer and Namibia is bound by the international laws of transboundary water management. We have therefore informed Botswana and South Africa about the activities.

Therefore, to avoid further expectations that exploration will lead to mining, I plead with this August House that, no EPLs or ECCs be renewed or issued and no drilling licenses for nuclear fuel minerals, be issued to Headspring Investment or any other person in the Stampriet Aquifer. Headspring Investments exploration activity, which is dominated by extensive drilling activities is aimed at assessing the economic potential of the Stampriet area for the development of in-situ uranium mining operations (ISL), targeting exploration potential for the so-called Wings

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Project. We have engaged UNESCO and International Atomic Energy Agency (IAEA) to provide such advice from the independent expert and plans are at an advanced stage to bring them over to Namibia.

Lastly Honourable Members I wish to mention that indeed an Environmental Certificate was issued by the Environmental Commissioner. Unfortunately however the underlying environmental impact assessment has by and large ignored the possible impacts on the fresh water aquifer by exploration and later in situ mining activities. It is our opinion therefore that the EIA may be flawed in that regard.

I hope that I have fully addressed all the questions posed by Hon. Van Wyk.

I thank you for your attention.