



Press Release

Ohorongo Cement to source local gypsum

Ohorongo Cement (Pty) Ltd and Elspe Minerals (Pty) Ltd have last week signed a supply and co-operation agreement in terms of which Elspe Minerals, owned by the Namibian family Kahl, agrees to supply high quality gypsum to Ohorongo. The gypsum prospect, situated in the Namib Naukluft Park close to Swakopmund, is one of the few known gypsum resources in Namibia which can reliably and sufficiently supply gypsum to Ohorongo.

Through this agreement, as well as through the recently negotiated contract with Okorusu to supply iron ore to the plant, all of the raw materials which Ohorongo requires for the production of cement are now sourced in Namibia. This makes Ohorongo Cement one of the few Namibian companies that complete the entire value chain of their product within the country, from bare limestone rock to quality cement.

Ohorongo had the option to import gypsum from South Africa, but Hans-Wilhelm Schütte, Managing Director of Ohorongo Cement, is confident that the two parties will make a success of mining this local resource: "Ohorongo has found a good partner in Elspe Minerals and we look forward to supporting this Namibian enterprise. The development of the deposit means additional employment opportunities and income for Namibians."

The suitability of the gypsum for Ohorongo's requirements was confirmed by conducting a thorough chemical and physical analysis. By drilling a series of shallow core holes into the soft formation with excellent core recovery, local drilling company A. Günzel Drilling successfully acquired the necessary samples for Ohorongo. The core samples were sent to Germany for analysis.

Dr Markus Schauer, Ohorongo's geologist states: "The natural gypsum deposit is of good quality with high gypsum content and no deleterious minerals such as chlorides. Moreover, what makes this resource particularly special is that, due to Namibia's geological history, not many gypsum deposits were formed. The prospect owned by the Kahl family is of the few known deposits here in Namibia."

As an essential component of cement, Ohorongo requires gypsum to retard the reaction of water and cement, resulting in the slower drying of concrete. Without gypsum, concrete would harden almost instantly and render it unworkable.

This gypsum deposit lies in the Tumas drainage within the Namib Naukluft Park, about 60km south-east of Swakopmund. Mrs Iris Kahl explained that the deposit was discovered by her father, Arend von Stryk, in his time a well-known and hard working businessman. "He mapped this resource in the

1950s together with several other deposits such as Langer Heinrich, Navachab gold near Karibib, minerals on and around Rössing and some rock and salt claims near Cape Cross”.

Since its discovery, only limited production has been conducted on the prospect. Elspe Minerals intermittently mined gypsum for the agricultural sector. They also supplied to the Otjiwarongo cement plant.

Ohorongo Cement will start with the production of cement within a few months. Section by section, the plant is being commissioned to complete Africa’s most modern cement plant, with the best available technology introduced for environmental, health and safety as well as quality concerns.

With a capacity of 700 000 tons of cement per annum, the firm’s operations exceed Namibia’s current cement demand and will thus turn Namibia from a net cement importing to a net cement exporting country. Together with the effort of Ohorongo to source all raw materials within Namibia, the export of the cement produced will certainly contribute to a healthy balance of payments.

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