



Press Release

## **OHORONGO AND OKORUSU IN PARTNERSHIP**

### **OTJIWARONGO FLUORSPAR MINE TO SUPPLY IRON ORE FOR CEMENT PRODUCTION**

The Managing Directors of Ohorongo and Okorusu yesterday signed a supply and delivery agreement, under which Okorusu will supply iron ore to Ohorongo Cement. The first consignment will be delivered to the Ohorongo plant during September, just in time for the commissioning of the raw mills of the plant.

At full production, Ohorongo Cement will procure about 8 500 tonnes of iron from Okorusu. Although the overall proportion of iron ore in the mix of clay and limestone is minimal, with only about 50kg per tonne added to the raw meal, it is nevertheless an essential catalyst in the production of cement clinker. Cement clinker, which is an intermediate product of cement, is produced by burning limestone, clay and iron ore in a kiln at 1 450 degrees centigrade.

Before Ohorongo identified Okorusu as suitable supplier of iron oxide, the firm considered the import of iron from South Africa or even from Solingen in Germany. Managing Director of Ohorongo Cement, Hans-Wilhelm Schütte, states: "It has always been our choice to, wherever possible – procure goods produced in Namibia. Therefore, sourcing the iron ore from Okorusu and from within Namibia is very fortunate, not only for Ohorongo and Okorusu, but also for Namibia's balance of payments."

Schütte emphasises that Ohorongo is one of the few Namibian firms where the entire chain of value addition, from limestone rock to world class cement, goes full circle here in Namibia. Schütte affirms: "Our cement is truly Namibian."

Dr Markus Schauer, geologist of Ohorongo Cement, describes the iron ore from Okorusu as ideal for Ohorongo's requirements: "Okorusu can supply us with a high grade iron ore, with a content of more than 60% of iron oxide. Moreover, Okorusu's iron ore does not contain minerals such as Barium or other heavy metals which are not suitable for cement production."

Schütte added that besides the ore quality, a further advantage is that Okorusu is situated relatively close to the Ohorongo plant. "Besides quality and locality, we have found an absolutely reliable partner in Okorusu. The iron ore supply and delivery agreement is only the start of a long term partnership between Okorusu and Ohorongo," indicates Schütte.

Okorusu, owned by multinational corporation SOLVAY, is situated to the north west of Otjiwarongo and is more commonly known for the production and export of acid grade fluorspar which it processes to 97% purity. Okorusu is one of the largest fluorspar producers in the world.

Mark Dawe, Managing Director of Okorusu, explained that in the process of extracting fluorspar, iron ore is produced as a bi-product in smaller quantities. According to him, the supply and delivery agreement creates a true win-win situation for Okorusu and Ohorongo: "Okorusu produces iron ore in relatively small quantities but of a high grade, and Ohorongo needs small amounts of exactly such high grade ore in their production."

After 18 months of work on one of the biggest construction sites in Namibia, the progress on the N\$ 2.5 billion investment is progressing extremely well. The plant will be the most modern in Africa, with a capacity to produce 700 000 tonnes of cement per annum. Ohorongo is not only producing for the Namibian market, but intends to export to regional and even overseas markets.

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