

Khoemacau Copper Mine

In the first quarter of 2020, 14 months after the start of the Starter Project construction, mining began at the 3.65 million tonnes-a-year Khoemacau Copper Mine in the north-west of Botswana.

The Zone 5 mine, with 20 or more years expected operating life, will see the simultaneous development of three underground mines, transporting the ore 32km to the Boseto processing plant that is being upgraded to produce 155 000 t to 165 000 t of high-grade, 40% copper-concentrate a year, containing approximately 60 000 t to 65 000 t of payable copper and 1.9 million oz of payable silver. The Zone 5 orebody boasts a 92-million tonne resource at an in-situ grade of 2.11% copper and 21.8g/t silver.

About 2 380 mining and construction workers are employed on site, with 33% of the construction and operations workforce from local communities. Operations have continued during the Covid-19 lockdown in Botswana, with a full underground mining team but a reduced construction workforce.

The construction involves the development of three boxcuts, situated in 40m or more of sand cover, with around 1.3 million cubic metres of material required to be excavated from each boxcut. This work was completed on target by Kalcon, managed by Khoemacau's engineering, procurement and construction management contractor, Fluor Daniel Botswana. The boxcuts were progressively handed over to Barmenco mining services Botswana, a subsidiary of Perenti Group Ltd, to commence mining from February 2020.

Underground mining milestones achieved to date include:

- 1 000m of underground mining development at Central, North and South mines achieved by April 2020.
- State-of-the-art Barmenco training centre uses a simulated underground environment to train employees in the use of mechanised underground mining equipment and key aspects of operations, maintenance and underground safety.

Construction of the Zone 5 mining surface earthworks and infrastructure, contracted to Concor Botswana and Kalcon respectively, including internal roads, terraces, run-of-mine pads, interim workshops, fueling facilities, 650-person camp accommodation facilities and offices, have been progressively handed over to Barmenco.

Processing plant demolition works are contracted to SMEI and civil works, contracted to Concor Botswana, for the new HIG mill,

Jameson Cells and Larox filter, are construction-ready for steel erection and equipment installation.

The access road between Boseto and Zone 5 is completed to final layer, with the Zone 5-to-Boseto haul road to be completed by the end of 2020.

Construction of the 132kV power supply infrastructure to site, undertaken by Conco, includes a 50km transmission line from the Botswana Power Corporation Legotlhwane substation and two 132/11kV substations. The use of solar power is also being investigated.

The new water supply system, which includes approximately 40km of underground piping with associated infrastructure and two reservoirs of 2 million litres at Haka and 4 million litres at Zone 5, has been handed over by Kalcon.

Khoemacau has all environment and land-use permits in place and remains fully compliant with the requirements of its environmental management plan. It achieved over 2 million

lost time injury-free man hours in April 2020, with zero reportable injuries recorded for 2020 to date.

The company emphasises its strong relationships with key stakeholders, including local communities, district leadership, National Government, in particular the Ministry of Mineral Resources, and government departments such as the Departments of Mines, Environmental Affairs, Transport, Wildlife, Labour and Immigration.

Khoemacau is also pursuing exploration at Mango, Zeta North East and Zone 5 North, which offer approximately 74-million tonnes in excess of 2.4% CuEq resources. The expansion project studies are targeting to increase the annual output of the Khoemacau operations to approximately 130 000 t of copper and 5 million oz of silver in concentrate. A range of additional targets, from early ore-grade discovery drill holes, to geophysical and geochemical anomalies, are being explored to feed Khoemacau's project pipeline.

Khoemacau Copper Mining Pty. (Ltd)

Head Office

Botswana Innovation Hub,
Science & Technology Park,
Icon building, Bar 3 Level 02,
Block 8 Industrial, Plot 69184,
Gaborone, Republic of Botswana
Phone: +267 393-1006
Enquiries: info@khoemacau.com



Boseto processing plant crushing and screening area under construction



South boxcut and mine



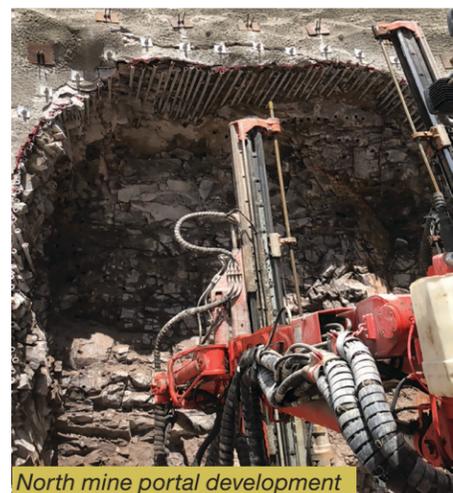
Zone 5 mining HME workshop



Decline spraying of fibrecrete



Zone 5 surface infrastructure



North mine portal development