

MEDIA RELEASE

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WINDHOEK, NAMIBIA

KEEL LAID FOR NEW DIAMOND RECOVERY VESSEL*Setting the beacon for mining excellence*

Construction of Debmarine Namibia's latest innovation is progressing well. The new vessel will be the company's largest and most advanced diamond recovery vessel to-date. Construction is taking place at the Damen Shipyard in Mangalia, Romania.

The project started 10 months ago with steel fabrication and cutting. We are proud to announce that, on Wednesday, 11 March 2020, the keel laying ceremony of Debmarine Namibia's 3rd Additional Mining Vessel was held at Damen Shipyards Mangalia. The ceremony marked the second major official construction milestone in the life of this ground breaking vessel. We take this opportunity to thank all welders, fitters, electricians, painters, engineers and subcontractors, and to the many more people who will participate in the completion of this project. The event customarily marks the first stage in the start of the full production of a vessel, and invites good luck in the construction of the vessel and throughout its life. Debmarine Namibia's Captain Jerzy Mazgaj, Master of the vessel seconded to the vessel project team in Romania, was invited to weld two commemorative coins on the bulkhead of the vessel.

According to Chris Groninger Managing Director of Damen Shipyard in Mangalia, all vessel sections are in assembly stage and have been delivered and more than half of vessel has been pre-erected and is ready to go into the dry dock.

The engines were delivered to Romania three months ahead of schedule. The Wartsila main engines successfully passed the Factory Acceptance Test (FAT) in Finland, which assures both parties that the equipment meets all the contractual specifications and any issues can be addressed beforehand.

Delighted by the construction progress, Debmarine Namibia Chief Executive Officer Mr Otto Shikongo said the Company is committed to pioneering a new diamond world by continuously embarking on innovative ways of recovering natural diamonds. He added that although the vessel is being constructed in Romania, various parts are sourced from all over the world "This project has a far reaching global impact as parts are sourced from around the world and some are being fabricated locally in Walvis Bay".

The new vessel is expected to create 161 direct jobs as part of employment creation opportunities particularly for the youth. "With the shortage of maritime skills in Namibia, we often face challenges in acquiring potential Namibian employees in the field of marine diamond recovery. It is against this background that the investment of this nature is indeed key in skills development, which is an integral part of our Company" he said.

Noting the ongoing efforts to enhance the protection of the marine environment and the occupational health and safety related to the recycling of ships, the new vessel is “Green Passport” certified with regards design and construction in accordance with the International Maritime Organisation Guidelines on Ship Recycling. The new vessel is positioned to deliver on Debmarine Namibia’s new ambition to be the beacon of mining excellence to make life brilliant for the Namibian people.

At 177 metres (577 feet) long, the new vessel will be slightly larger than the current largest vessel in the Debmarine Namibia fleet, Mafuta. Constructed from a Marin Teknikk design, the new vessel will be the most technologically advanced marine diamond recovery vessel in the world. The new vessel is expected to be commissioned in 2022.

On completion, the vessel is expected to increase 500,000 carats annually to Debmarine Namibia’s production, an increase of approximately 35 per cent on current production. The AMV3 construction project was one of the largest commercial transactional deals in Namibia last year. Five commercial banks partnered in the N\$7bn (US\$468m) financing deal for 80 percent of the vessel construction costs and 20 percent by Debmarine Namibia. In its first five years of production, the AMV3 is expected to contribute N\$2bn per annum in taxes and royalties to the Namibian Treasury.

Please see photo and captions attached

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ABOUT DEBMARINE NAMIBIA

Debmarine Namibia is a joint venture marine diamond prospecting and recovery company, owned in equal shares by the Government of the Republic of Namibia and De Beers Group. Debmarine Namibia commenced operations in January 2002 and mines off the southern coast of Namibia. The company operates five diamond recovery vessels and one exploration and sampling vessel, the mv SS Nujoma. The recovery vessels mine diamonds off the ocean floor using highly advanced drill technology, supported with sophisticated tracking, positioning and surveying equipment. Debmarine Namibia is ISO 14001, ISM and OHSAS 18001 certified, in line with its commitment to safety and environmental management. Debmarine Namibia is a recognised world leader in diamond exploration and recovery.

