

Initial Project Summary

Project Location: Karibib District, Erongo Region, Namibia

Name of Applicant: Lepidico Chemicals Namibia (Pty) Ltd.

Name of Project: Lepidico Chemicals Namibia (Pty) Ltd. (“Karibib Mine Site”)

Project Description: The Project involves the redevelopment of two brownfield open-pit lithium mines (Rubicon and Helikon 1) and the construction of a new 330,000 tpa ore processing plant to produce 60,000 tonnes of lepidolite concentrate in the Karibib District, Erongo Region of Central Namibia. Mining activities at Rubicon mine date back to the 1950s and at Helikon 1 to 1994. The Sponsor is also developing an offshore chemical refinery which is not part of the use of proceeds but which as the sole offtake, is an associated facility of the Project. Located in the Khalifa Industrial Zone in Abu Dhabi, the chemical refinery will process the entire 60,000 tonnes of concentrate and produce on average 4,900 tpa of lithium hydroxide, 1,400 tpa of rubidium sulphate and 200 tpa of cesium.

The Project will construct a new mine waste management facility for the co-disposal of mine waste and dry tailings from the ore processing plant. The Project will also construct a 30 km overhead transmission line for connection to the municipal grid, a raw water borefield, access roads, haul roads and support buildings as part of the mine infrastructure. The Project will lease existing facilities at the Port of Walvis Bay, Namibia for ore concentrate storage and marine transport to the Port of Khalifa, Abu Dhabi.

Environmental and Social Categorization and Rationale: The Project has been reviewed against DFC’s categorical prohibitions and determined to be categorically eligible. The Project is screened as Category A because the Project involves open pit mining, ore processing, and related mine infrastructure, and an offshore chemical refinery as an associated facility. The major environmental and social aspects related to the Project include mine occupational health and safety, mine waste and tailings management, influx and management of construction workers, water resource management, biodiversity, and community health and safety. The Project will not involve any involuntary physical or economic displacement. One household has been relocated through a negotiated settlement to make way for mining related activities and infrastructure. The Project is situated on land that is part of ongoing government-led resettlement and legacy land claims that are not directly related to the Project.

Environmental and Social Standards: DFC’s environmental and social due diligence indicates the Project will have impacts that must be managed in a manner consistent with the following International Finance Corporation (IFC) 2012 Performance Standards: PS 1: Assessment and Management of Environmental and Social Risks and Impacts; PS 2: Labor and Working Conditions; PS 3: Resource Efficiency and Pollution Prevention; PS 4: Community Health, Safety, and Security; and PS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources. PS 5: Land Acquisition and Involuntary Resettlement; PS 7: Indigenous People and PS 8: Cultural Heritage are not triggered by the Project at this time. Applicable provisions of the IFC Environmental, Health and Safety (EHS) General Guidelines and EHS Guidelines for the Mining Sector also apply to the Project.

Location of Local Access to Project Information:

Karibib Address: Lepidico Chemicals Namibia Pty Ltd, Karibib Project, Rubicon Site Office, Karibib

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Windhoek Address: ENS Africa, 11 Dr Agostinho Neta Road, Windhoek, Namibia

Point of Contact: Mr. Wolf Wohlers, Director (of ENS), wwohlers@ENSafrica.com, +264 61 379 700

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