

# THE PROJECTS

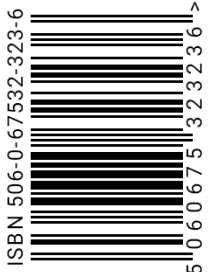
Magazine P30.00  
Issue 4 Vol. 2 | Aug-Sep 2022

## THE DE BEERS RESILIENCE

Adapting in Volatile, Uncertain, Complex  
and Ambiguous World

BVI launches P300 million  
revolutionary blending and  
filling facility

Botswana-South Africa  
Business Forum commits to  
infrastructure development



# 3 BEDROOMED NEWLY BUILT APARTMENTS AVAILABLE FOR RENT AT SPHALA ESTATE

Palapye Extension 7



PROPERTY	PROPERTY DESCRIPTION	UNIT AREA	RENTAL PRICE
<b>1. Flat Type 3Beds</b>	Spacious 3 bedrooms with master ensuite, fitted wall wardrobes, lounge with balcony space, Fitted modern kitchen with Rustenburg granite tops on wooden cabinets and ceramic wall tiles. Separate water closet & bathtub with hand wash basins. Ceramic tiled floors, plasterboard with ceiling, plastered and painted walls, IBR roof tiles, 100 litre hot water geysers and pre-installed LPG/electric stove connection points.	<b>104.5 sqm</b>	<b>P4,200.00</b>
<b>AMENITIES</b>	Flats located in a secure walled estate adjacent to A1 highway with perimeter lighting in close proximity to local amenities and accessed through 2 motorized gates, 2 guard houses with 24 hours security, refuse skip containers and dedicated parking bays with provision for disabled parking and clothesline for each flat. Common areas for kids playgrounds. Each block is installed with lighted stairwells, fire and heat alarm detectors, firefighting extinguishers, and horse reels in each floor.		

## CONDITIONS OF RENT

### 1. Requirements

APPLICANT	DOCUMENTS TO BE SUBMITTED ON APPLICATION
<b>INDIVIDUALS</b>	<ul style="list-style-type: none"> <li>i) Certified copies of Identity Cards (Omang) for both applicant and spouse, if married, and Certificates of Naturalization, if born outside Botswana.</li> <li>ii) Certified copies of Naturalization Certificate if born outside Botswana.</li> <li>iii) Spouse's written consent for married couples.</li> <li>iv) Certified copy of marriage certificate, if married or widowed, and/or copy of decree absolute, if divorced.</li> <li>v) Valid residence and work permit for non-citizens.</li> <li>vi) Current payslip and 6 months recent bank statements and those of their spouses for married couples.</li> <li>vii) ITC clearance certificate for the applicant (should not be more than 3 months old).</li> <li>viii) Affidavit declaring whether the applicant and/or spouse have purchased or are renting or have rented a BHC property before.</li> </ul>
<b>COMPANIES</b>	<ul style="list-style-type: none"> <li>i) Copy of company registration certificate certified by the Registrar of Companies.</li> <li>ii) Copies of share certificates and Identity Cards of shareholders certified by Registrar of Companies.</li> <li>iii) Certified copies of Certificates of Naturalization if shareholders were born outside Botswana.</li> <li>iv) Current payslip and 6 months recent bank statements of Directors.</li> <li>v) ITC clearance certificate of Directors.</li> <li>vi) Company resolution on renting of BHC property.</li> <li>vii) BURS Tax clearance.</li> </ul>

**NB: Parastatal organizations may submit their interest in writing.**

2. Only citizens, citizen-controlled companies, Corporate bodies, Registered Societies shall be considered.
3. Applicants shall be treated on first come first served basis.
4. Applicants who are indebted to BHC will not be eligible for consideration.
5. Applicants are informed that they need to pass BHC vetting processes in order to be considered.
6. Application Forms shall be obtained and completed from All BHC Offices (EXCLUDING BHC HEAD OFFICE) together with documents referred to 1 above.
7. Only applicants who pass preliminary assessment will be required to pay non-refundable Administration Fee of P114.00 (VAT incl) and a service charge of P131.10 (VAT Incl) upon signing the lease agreement.
8. Applicants are informed that their applications shall be specifically for the project advertised and shall not hold for other projects being **rented** by BHC.
9. Notwithstanding anything contained in the foregoing, BHC is not bound to accept any application nor give any reason for not accepting the same.
10. Viewing of properties should be arranged with Messrs S. D Limbo, and K. Bagai at telephone No. 4921075 at Palapye Office (Estates Section). The Officers could also be contacted in case there is need for any clarification.



For more information please contact:

**Limbo Selelo (+267) 72931272 Palapye office (+267) 4921075**



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## PUBLISHER'S WELCOME NOTE

Hello! Welcome to the August-September edition of The Projects Magazine. This edition is headlined by De Beers Group, following exclusive interviews with its key personnel to look into among others; strategic leadership of the organisation during a Volatile, Uncertain, Complex and Ambiguous world; expansion projects, technological investments and Building Forever – the company's commitment to creating impactful and lasting positive legacy.

De Beers remains a critical player in Botswana's economy. Together with the Government of Botswana (GoB) they co-own (50/50) Debswana – the world's leading rough diamonds producer by value, and Diamond Trading Company Botswana (DTCB) – the world largest and most sophisticated diamond processing company, further-more GoB directly owns 15 percent of the entire De Beers Group, all this contributes around 30 percent toward Botswana's national budget.

De Beers partnership with the Government of Botswana is one of the most iconic in the world, and it has been replicated – as a result of its success – in other countries such as Namibia. This partnership has been the driving force for Botswana economy since discovery of diamonds in 1967.

In this edition, we highlight the resilience of De Beers as company, having had to adapt to face most global challenges in the last decade, beginning with the 2008 global financial crisis, to United States – China trade war and ultimately the Corona Virus Disease of 2019 (COVID-19), which had the most devastating economic impact since the Great Depression in 1929. De Beers has proved its ability to adapt and persevere during the hardest time. Many companies do not have such resilience, thanks to its capable leadership.

In this edition, we also look into the future of De Beers, and massive projects they are currently investing in. Given the amount of investment put by the company, it is clear that De Beers is confident about the future of diamonds. We should be confident as well, but without downplaying the need to diversify the economy away from diamonds. The mining industry still has a lot to offer, those opportunities should be pursued when feasible.

De Beers also expanded on its Building Forever initiative, the company's vision in giving back to the world and ensuring positive impact.

Through Building Forever, is making impact to the communities it operates in, beyond the conventional contribution to national coffers. It is an ambitious initiative, and would surely deliver maximum impact.

In other exciting news, Botswana Vaccine Institute (BVI) has commenced the construction of a new Blending and Filling laboratory, a development that will see Botswana evolving into being a key player in unlocking Africa's vast livestock potential in vaccine production.

Under the leadership of Andrew Madeswi – who took over last year as General Manager – BVI is investing P300 million in the project. BVI, is evolving from just being a vaccine supplier to offering complete solutions through their total customer value proposition, where they seek to offer technical services pre-vaccination, vaccination strategy and to also provide quality assurance post vaccination.

The Botswana – South Africa Business Forum, the first of its kind, headlined by President Mokgweetsi Masisi and President Cyril Ramaphosa, discussed important commitments such as investing in critical infrastructure to help in easing business between the two countries. Infrastructure is important because it is an enabler. There is potential in improving trade, but such potential can only be harnessed if both Botswana and South Africa invest in infrastructure that will link the two countries.

South Africa is Botswana's biggest trading partner, but as we well all know it, it has always been a one sided-affair. Botswana's economy cannot outcompete South African economy, even when it comes to Foreign Direct Investment (FDI) attraction. It has bigger population, good infrastructure, and it is the most industrialised economy in Africa. Botswana does not need to compete with South Africa, but has to leverage on the business ecosystem that exist of the size of South African economy. Opportunities where Botswana can play a critical role were discussed at the forum.

Enjoy your read!

*Rearabilwe Ramaphane*

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We deliver the latest news, in-depth analysis and cutting edge technical content on the latest developments and landmark projects unfolding in these industries.

With our team of experts, professional contributors and talented writers -well trained in business reporting, media, economics, engineering and mining – we are the reference point and source of information on project management, specifications, cost, investments, funding and contribution to the economy.

We dissect and divulge on the socio-economic impact of these projects in the host communities, the country as whole, the region and the continent.

Through paid content, The Projects Magazine gives companies the platform to profile their contribution to the economy, CSI projects; skills transfer initiatives, company achievements, strategies, and landmark projects.

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GRANDEUR





# The De Beers Resilience

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A portrait of Paul Rowley, a middle-aged man with short, spiky grey hair and a slight smile. He is wearing a dark navy blue crewneck sweater over a light blue collared shirt. He is seated at a dark wooden desk with his hands clasped in front of him. On his left wrist, he wears a silver-toned watch and a blue beaded bracelet. A small, embroidered logo is visible on the left chest of his sweater. The background consists of a window with horizontal blinds, creating a pattern of light and shadow. A portion of a laptop is visible on the desk in the lower right corner.

## **Adapting in Volatile, Uncertain, Complex and Ambiguous World**

*Paul Rowley  
De Beers Executive Vice - President,  
Diamond Trading*



# THE DE BEERS RESILIENCE

**T**he global diamond industry has endured bouts of uncertainties since the 2008 financial crisis. From 2008 financial crisis to the COVID-19 pandemic, it was a decade of unpredictability, which hampered continued global economic growth.

De Beers Group – the world’s leading diamond company with expertise in the exploration, mining and marketing of diamonds – was not spared from the feeling the brunt of the 2008 financial crisis which ultimately caused a global recession.

In line with most products in the luxury goods sector, the diamond industry was severely affected by the global recession. Reduced consumer demand, constricted liquidity and high levels of inventory in the pipeline combined to produce particularly challenging economic conditions for rough diamonds.

2009 was a year of unprecedented challenges, but De Beers met them head-on with determination and resolve. As the magnitude of the economic crisis became apparent toward the end of 2008, De Beers instituted a pro-active 6 Point Recession Action Plan to address its commercial vulnerabilities and ensure the company was positioned for growth once recession gave way to recovery. These actions helped De Beers’ clients to reduce their inventories of rough and polished diamonds, and debt levels.

Despite exceptionally difficult trading conditions, which saw De Beers’ sales decline from US\$6.89 billion in 2008 to US\$3.84 billion in 2009, De Beers exceeded its primary sales and cost targets, and remained cash positive for the year. The 6 Point Recession Action Plan were: Keep safety as top priority; Maximise demand opportunities; Produce in line with client demand; Drive cost reductions across the business; Enhance operating efficiencies, and Focus on cash management.

By 2014, trading conditions had improved and global demand for diamonds reached record levels. This period was however short-lived, as soon after, the geo-political tensions, owing to deterioration in the United States – China relations, set the industry on the back foot once again.

The US-China concerns were eclipsed by the outbreak of COVID-19. The diamond industry had started 2020 positively after a strong US holiday season at the end of 2019, with robust demand for rough diamonds but the outbreak of the

contagious virus, and measures taken by governments in response, had a profound impact on global diamond supply and demand.

On the 11th of March 2020, the World Health Organisation (WHO) declared Corona Virus Disease 2019 (COVID-19) a pandemic. In the first quarter of 2020, much of the industry was temporarily unable to operate, with up to 90 percent of jewellery stores closed at the peak of lockdowns, first in China, then in Europe and the US.

The measures imposed by governments; lockdowns and travel restrictions, saw the pandemic metamorphosing also into an economic problem. De Beers Group, the world’s largest diamond producer by value, responded swiftly to the development. The magnitude of the impact of COVID-19 meant the company had to deploy drastic and unprecedented measures, to protect its employees and maintain rapport with its customers.

“When the United States went into lockdown, we started for the first time thinking about cancelling the sight, and we have not cancelled the sight since the Second World War,” recalled De Beers Executive Vice President – Diamond Trading, Paul Rowley in an exclusive interview with [The Projects Magazine](#).

“We wanted to ensure across all of our operations globally that everyone was in a safe position. Within the De Beers/Anglo Group, safety always comes first; our number one priority was to make sure that we have understood its [COVID-19] severity and we put suitable measures in place to ensure that we were protecting all our employees.” The closure of the world meant the usual diamond trading activities were affected. De Beers primary focus was to ensure that the market remained confident about future supply. The company leadership rose to the occasion, facilitating communication with analysts, clients, producers and government partners, to make sure that there was an alignment on ensuring that the diamond industry would fare well into the future amid a lot of uncertainty.

“An important part of that was to ensure our customers knew that we would provide them with flexibility in their purchases so that we did not harm value by encouraging purchases of supply for which there was no demand. . We understood the situation, and our minds were focused on adjusting production levels to reflect prevailing demand,” said Rowley. Lockdowns, and travel restriction meant that during the

pandemic, De Beers Group officials were working remotely. At the time, Rowley, was in the United Kingdom, coordinating responses from there with other colleagues across the world. De Beers embraced Microsoft Teams, which allowed them to continue doing business.

"We had a good start to the year with strong sales in the first 2 sights, however this was followed by a big reduction in Q2 once the pandemic took hold. . I remember from our sales at the time that there was 1 sight where we literally sold nothing. During the second quarter we sold about \$100 million, which is just a small fraction of what De Beers would normally sell over such a period. said Rowley.

De Beers did not despair, it sold through other routes, assisting customers when they needed goods. De Beers also looked to shipping goods around the globe to different centers.

"We created opportunities for our clients to view goods in Dubai, Singapore and Belgium.. That is how we started to see the sales picking up into the second-half of 2020," Rowley indicated.

Rowley said, diamonds are such a special product — they represent love and relationships and the celebration of important milestones — so during difficult times consumers continued buying luxury products. The closure of China, and the US, affected the sales drastically. However, the world quickly re-adjusted and we saw more clients migrating to online purchases, as the use of technology took centre stage.

According to Rowley, 2021 was a record year, with De Beers benefiting from the absence of travel and experiential spending and other competing products.

"We did benefit from what we refer to as a share of wallet through that period of time. We particularly saw luxury doing exceptionally well and that has continued into the first quarter of this year [2022]."

Despite sales picking up once again, COVID-19 pandemic is not officially over. The world remains what De Beers Executive Vice President- Diamond Trading terms – a VUCA World (Volatile, Uncertain, Complex and Ambiguous). The markets have started opening up, but China, one of the biggest markets, has experienced further lockdowns.

"

*We are far from beyond COVID, and are still having to adjust.  
We are right in the middle of the VUCA world and we continue  
to adapt accordingly,*

"

*Rowley said.*

In the midst of COVID-19, the diamond industry has continued to play a major role in the economy of Botswana. Diamond revenues are the largest contributor to the Gross Domestic Product (GDP) and government earnings. Notwithstanding that verity, at the height of COVID-19, government imposed a State of Emergency. . The State of Emergency started in

April 2020, and came to an end on the 30th of September 2021.

"We were closed for a long time to people coming in. That is where the remote viewing was very important, but at the same time we were able to also support all the local factories, and likewise in Namibia and South Africa," he said.

"It's been quite a challenge over the period, but the diamond industry, in its entirety has shown incredible resilience. It pulled together, and it actually worked really well collaboratively across that pipeline all the way from the mines through to the consumer. The collaboration and pulling together is what has really seen the industry through."

## THE DE BEERS FUTURE OUTLOOK

De Beers remains a key player in the global diamond industry. It is the world's largest diamond producer by value, and heading into the future, the company continues to exert its influence with key investment, including embracing technological advancements and expanding its footprint.

"The production and returns from these investments like Jwaneng Cut 9 is some 7-8 years down the line. It shows the long term confidence of the De Beers - Anglo Group in the future of the diamond industry," said Rowley.

"Likewise in Venetia, in South Africa, we have made a significant investment in the underground project which we hope to really see successfully completed within the expected timelines."

## JWANENG CUT 9 AND UNDERGROUND PROJECT



Through Debswana, a joint venture between De Beers and the Botswana Government, the world's most valuable diamond mine is undergoing expansion. The Jwaneng Cut 9 Project is an expansion project which will extend the life of the mine to 2035 with 80 percent plant ore feed expected from 2029.

Debswana, after operating a sustained, profitable open pit mining environment for over fifty years, has forecasted the same favourable production levels over the next 15 to 20 years. However, it has been resolved after a business case evaluation that post Cut 9, it will not be feasible for the mine to continue with open pit, hence there will be need to go underground.



## BENGUELA GEM VESSEL

In March 2022, De Beers Group officially unveiled the world's largest, most advanced, and most environmentally friendly diamond recovery vessel, the Benguela Gem, in Namibia at an inauguration ceremony attended by President of Namibia, Hage Geingob, Minister of Mines and Energy, Tom Alweendo and De Beers Group CEO, Bruce Cleaver. The vessel commenced its operations a week after its launch, which was ahead of its original schedule.



The US\$420 million custom-built vessel will add an additional 500,000 carats of high value diamonds to Debmarine Namibia's annual production, an increase of around 45 per cent, while creating 160 high-skilled jobs for Namibians.

Debmarine Namibia is a 50/50 joint venture between De Beers Group and the Government of the Republic of Namibia. The Benguela Gem joined the world-class Debmarine Namibia fleet, which responsibly recovers some of the world's highest quality diamonds.

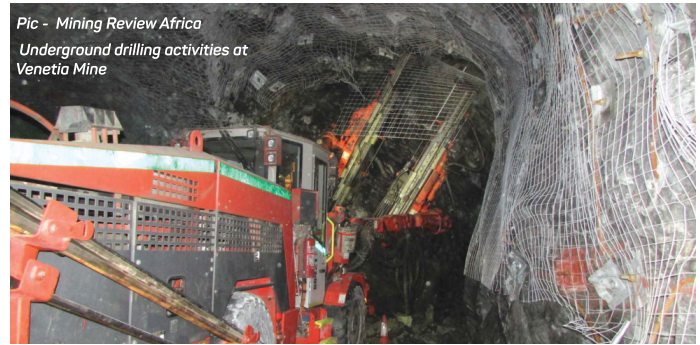
## EXPANSION TO ANGOLA

In April 2022, De Beers Group announced it has signed two Mineral Investment Contracts (MICs) with the Government of Angola for licence areas in north-eastern Angola. The signing of the MICs followed the announcement in late 2021 that De Beers had applied to explore in Angola following substantive reforms in the country's diamond sector.

The MICs for the two licence areas are for the award and exercise of mineral rights covering all stages of diamond resource development, from exploration to mining, and span a period of 35 years. Each concession area will be held by a separate new joint venture company formed by De Beers Group and Endiama, Angola's state-owned diamond company. De Beers Group will hold a substantial majority in the new companies, with Endiama having the ability to incrementally increase its equity share over time in line with certain conditions outlined in the shareholder agreements, albeit with De Beers Group maintaining a substantial majority.

## VENETIA MINE

The De Beers Group in 2013 began construction of a new underground mine beneath its open pit Venetia Mine in Limpopo Province, South Africa. The investment will extend the life of Venetia beyond 2040 and will retain Venetia's position as South Africa's largest diamond mine.



Pic - Mining Review Africa  
Underground drilling activities at  
Venetia Mine

The underground production is expected to commence in 2023 or 2024 and, over its life, the Mine will treat approximately 134 metric tonnes of ore, containing an estimated 88 million carats. The mine will also support over 8,000 jobs directly, and a further 5,000 through the supply chain.



## NATURAL DIAMONDS VERSUS SYNTHETICS

In May 2018, De Beers Group announced the launch of a new company called Lightbox Jewelry that will begin marketing a new brand of laboratory-grown diamond jewelry under the Lightbox name in September, offering consumers high-quality, fashion jewelry designs at lower prices than existing lab-grown diamond offerings.

During the launch De Beers indicated that it has learned from research that there is a lot of confusion about lab-grown diamonds – what they are, how they differ from natural diamonds, and how they are valued. Lightbox was established essentially to help consumers understand lab-grown diamonds better and also offer pricing that is consistent with the production and long term value.

De Beers believes, as a natural diamond company, it is not concerned about the possibility of synthetics completing with natural diamond sales, as the two products will co-exist because they serve different markets – but natural diamonds will continue to be more valuable.

"There will always be some form of cannibalisation, but ultimately we are seeing them actually grow at different levels. Last year is a great example. Lab grown diamonds fell in price over that period whereas natural diamonds over the same period saw an increase in price. They serve two very different markets," said Rowley.



A professional portrait of Otstile Mabeo, a Black woman with short dark hair, wearing a black blazer over a light pink button-down shirt. She is seated and looking directly at the camera with a slight smile. The background is an office setting with a large green plant on the left and a window with blinds on the right.

# Unpacking the De Beers Diamond Pipeline

*Otsile Mabeo  
Vice President - Corporate Affairs,  
De Beers Global Sightholder Sales*



**E**stablished in 1888, De Beers Group, is the world's leading diamond company with expertise in the exploration, mining and marketing of diamonds.

De Beers Group's two shareholders are the Government of the Republic of Botswana (15 percent) and the Anglo American plc group (85 percent). Together with its joint venture partners, De Beers Group employs more than 20,000 people across the diamond pipeline and is the world's largest diamond producer by value, with mining operations in Botswana, Canada, Namibia and South Africa.

Innovation sits at the heart of the De Beers Group strategy as it develops its portfolio of brands, including De Beers Jewellers and Forevermark, and other pioneering solutions, such as the sourcing and traceability initiative Tracr. De Beers Group employees are committed to 'Building Forever,' a holistic and integrated approach for creating a better future – one that is fairer, safer, cleaner and healthier; and where communities thrive and the environment is protected.

The company's presence in Botswana dates all the way back to just after independence. In 1967, the Orapa kimberlite pipe, one of the largest in the world, was discovered by De Beers geologists. This was a turning point in Botswana's history, and a significant milestone for the De Beers Group. The partnership between De Beers and Botswana was formalized with the creation of the Debswana joint venture in 1969.

Shortly after, in 1972, another kimberlite pipe was discovered, which became the world's richest diamond mine: Jwaneng. In 2006, a new joint venture operation was established, DTCB, which undertakes sorting and valuing of Botswana's diamonds.

Later on, in 2013, De Beers Group moved its sales activities to Botswana, through the establishment of the Global Sightholder Sales business to Gaborone.

"The move to Gaborone from London was itself a historic and significant one for both shareholders, for the country and the global diamond industry," said De Beers Group Global Sightholder Sales Vice President – Corporate Affairs and Government Relations, Otsile Mabeo.

According to Mabeo, the benefits of the move include among others; multibillion dollar international rough diamond trade had a new centre of gravity in Gaborone; world leading diamond businesses travelling to the region regularly to purchase supply; creation of more employment opportunities; more opportunity for the service sector to support international business travellers; and the introduction of auxiliary businesses such as diamond brokerage firms and gem grading labs.

## DE BEERS FAMILY OF COMPANIES

With the exception of cutting and polishing activities, De Beers participates across the diamond value chain.

Mining activities in Botswana are undertaken by Debswana,

which is a 50/50 joint venture partnership with the Government of Botswana. De Beers also operates its mines in Namibia through a similar joint venture arrangement known as Namdeb, while the company's Managed Operations division mines in South Africa and Canada.

From mining, the rough production goes through sorting and valuing within producer countries. In Botswana this is done again through a 50/50 joint venture operation with the Government of Botswana, DTCB.

The sorted diamonds from the various producer countries are then shipped to Botswana for aggregation and sales, to De Beers clients called Sightholders. Sightholders are required to comply with the De Beers Best Practice Principles, a stringent set of standards which ensure that the company extends its own standard of ethics and social and environmental requirements to its Sightholder client base.

Sightholders travel to Botswana to view and purchase their goods at sales events called Sight weeks, which take place 10 times a year.

De Beers owns two diamond jewellery brands, De Beers Forevermark and De Beers Jewellers. De Beers Jewellers opened its flagship store in 2002 in London. Since then, the brand has grown to have a presence in 16 markets around the world. De Beers Forevermark has a different model and instead of having its own retail outlets, it operates mainly as a brand that is carried by other retail partners. Every De Beers Forevermark diamond has a unique inscription, ensuring that it is natural and hand-selected, with a promise that it is beautiful, rare and responsibly sourced.

## FROM PROSPECTING TO JEWELLERY

The diamond pipeline begins with prospecting and exploration. Prospectors look for clues that could lead to diamonds, taking rock samples to analyse to determine if they might hold potential for kimberlite. Once a viable kimberlite is established, diamond mining can begin. From the mines, the diamonds progress to sorting for classification by size, shape, colour and quality. The rough diamonds are then aggregated and sold to businesses for cutting and polishing, before being set into jewellery, and eventually sold to retailers and then clients.

## DE BEERS COMPANY VALUES

"Our values define who we are and guide how we engage with each other and our stakeholders. This relates to how we work together as a team internally, to how we engage with all our partners externally, and the values themselves, are completely aligned with Building Forever," said Mabeo.

“

**We sell a product that is used to celebrate the most important milestones in people's life. Our aspiration therefore, is to Make Life Brilliant. And this goes beyond diamonds.**

”

"In everything that we do, from our strategy, to our work with our communities, we aim to make a lasting positive impact. And that is underpinned by our values. We take our passion for our product and use it as a basis to chart new ways, to collaborate to solve problems, to approach everything we do with consideration and conscientiousness, and to show that we genuinely care."

De Beers Group's values are as follows: Put safety first, Show we care, Pull together, Be passionate, Build trust and Shape the future.

DE BEERS IMPACT: JOB CREATION

DBGSS supports 227 jobs directly, but De Beers Group, through its JV operations, employs 6200 when you consider the mining operations and DTCB. Creating jobs and opportunities for skills development is an important priority for De Beers.

"In addition to direct jobs, we have a number of our sales team work in various markets around the world , to enable them to be closer to our clients, which is an important aspect of our talent development program," said Mabeo.

"We also have an Academy that trains both staff and external learners in areas such as rough sorting and polished grading. The Academy offers a learnership program, and 90% of the people that have been through this program have been absorbed into our workforce.

Also in relation to employment, Mabeo said, there is need to consider De Beers programs that support entrepreneurship development.

"While they do not directly create jobs, they help equip businesses with the tools they need to create stronger more sustainable operations, that can then potentially expand and employ more people," she highlighted.

"Our programs such as Stanford Seed and Takafala are aimed at entrepreneurship development and hence are able to support indirectly, job creation."

THE ROLE OF DE BEERS GLOBAL SIGHTHOLDER SALES

DBGSS aggregates rough diamond production from the mines in Botswana, Canada, Namibia and South Africa, and sells boxes of rough diamonds to Sightholder clients. The business sells around 90 percent of De Beers' rough diamonds via term contracts to Sightholder customers at sales events called Sights. Sightholders are among the world's leading diamantaires and are active in the major diamond centres. Sights are held 10 times a year in Gaborone, where Sightholders physically inspect their rough diamond allocations before deciding whether to purchase them.

SIGHTHOLDERS AND SIGHT WEEK

During sight week, clients come from all over the world to view the goods they have been allocated as a result of the sales planning process. At the beginning of the year, Sightholders give an indication of their diamond purchase requirements

for the year; De Beers then assesses this and provides each Sightholder with an overview of what we expect to be able to offer over the 10 sights.

"During Sight week, Sightholders have the opportunity to come and physically examine the goods before making a purchase. It is during Sight weeks that other service providers have an opportunity for business such as hospitality, chauffeur companies, professional catering facilities, security companies," Mabeo highlighted.

THE IMPACT OF SIGHTHOLDER FACTORIES IN BOTSWANA

Total number of Sightholders	68
Number of Industrial Sightholders	4
Number of Sightholders with cutting & polishing factories (Botswana)	28
Number of jobs created by Sightholders factories (Botswana)	2900
Percentage of citizens employed by Sightholders	75%

SIGHTHOLDERS AND BENEFICIATION STRATEGY

De Beers describes beneficiation broadly as the focus on retaining in country as many of the value-adding steps beyond mining as possible, so as to maximise the value producer country partners derive from their natural resource.

For many years rough diamond sorting and valuation has taken place in South Africa, Namibia and Botswana. In the mid 2000s, De Beers began to ring-fence a share of its global supply for those businesses that set up cutting and polishing operations in producer countries, to incentivise the establishment of further activity in this part of the value chain in producer countries. As a result of these efforts, the number of Sightholders with local factories in Botswana has increased over the years.

“  
DBGSS supports 227 jobs directly, but De Beers Group, through its JV operations, employs 6200 when you consider the mining operations and DTCB. Creating jobs and opportunities for skills development is an important priority for De Beers.





# Tracr™ to build more confidence in diamonds from Botswana

**T**racr™, a new technology introduced by De Beers Group, will play a key role in helping to build confidence in diamonds produced by the global mining giant, De Beers Group.

Chief Product Officer at Tracr™ Jason McIntosh, said natural diamonds will benefit from the technology as it has the capability to show the origin of diamonds, therefore overcoming fears of diamonds from controversial sources. McIntosh said the adoption of this technology is part of De Beers' commitment to be a purpose led company that is responsible in the communities it serves.

"Tracr™ will change the way people think about diamonds as the technology carries information about their origin. The information is digitised using blockchain technology," he told [The Projects Magazine](#).

McIntosh said the technology took some years to be developed, and it is currently deployed to use for De Beers mined diamonds. He highlighted that previously, the industry relied on paper trail to trace the origin of diamonds, but the vulnerability of such practices meant that it could be tampered with.

The beneficiaries of the technology, according to McIntosh, are diamond industry producers and retailers, who have access to tamper-proof records of a diamond's provenance. He further said with Tracr™, Sightholders will benefit from the immutable record of diamond credentials, which will, in turn, provide retailers with the added assurance of a diamond's pedigree and origin.

Tracr™ has capability to provide provenance assurance for 100 percent of De Beers Group's diamonds from source to Sightholder to store, according to a statement released by the company in March 2022.

De Beers Group started deploying the Tracr™ blockchain platform at scale for its diamond production earlier this year. According to the company statement, Tracr™ is the world's only distributed diamond blockchain that starts at the source and provides tamper-proof source assurance at scale, enabling Sightholders to provide an immutable record of a diamond's provenance, and empowering jewellery retailers to have confidence in the origin of the diamonds they purchase.

"With more end clients wanting to know the source of the diamonds they buy, the deep meaning associated with a diamond purchase requires a technological step-change to meet their expectations," the company statement said.

"The introduction of Tracr™ at scale delivers immutable information on the source of De Beers' diamonds across the value chain and makes source assurance for 100% of De Beers' production possible."

De Beers said Tracr™ platform combines distributed ledger technology with advanced data security and privacy, ensuring that participants control the use of and access to their own data. Each participant on Tracr™ has their own distributed version of the platform, meaning that their data can only be shared with their permission, and only they choose who can access their information, the company said.

The advanced privacy technologies used by Tracr™ reinforce data security on the platform, De Beers said, further indicating that the immutable nature of each transaction on the platform ensures that the data cannot be tampered with when the diamond progresses through the value chain.

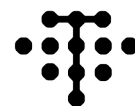
"The decentralised nature of the platform ensures its speed and scalability, with the ability to register one million diamonds a week onto the platform. With centralised platforms, dealing with large volumes of data can cause bottlenecks, but the decentralised model used by Tracr™ avoids such issues and enables rapid scaling," the company said.

"The scalability, speed and security of Tracr™ are combined into an intuitive user experience to support ease of use for platform participants.

"The technology was first launched in an R&D phase in 2018 and named by Forbes as one of the world's 50 leading blockchain solutions in both 2020 and in 2022. De Beers has already registered one quarter of its production by value on Tracr™ in the first three Sights of the year in preparation for this first scale release."

The Tracr™ platform brings together a range of leading technologies – including blockchain, artificial intelligence, the Internet of Things and advanced security and privacy technologies – to support the identification of a diamond's journey through the value chain.

De Beers' provenance claims, have been certified by the Responsible Jewellery Council and trust in the De Beers source of diamonds is also assured by the business's Pipeline Integrity programme which involves annual third-party verification visits of participants by independent auditors, the company highlighted.



tracr





“

Building Forever sits at the heart of everything we do. From our mining operations in Botswana, Namibia, South Africa and Canada, through to the stores where we sell our diamonds, Building Forever along with our Purpose and Values guides our work, our decisions and our behaviours,

”

**Wanetsha Mosinyi,  
Social Investment and Sustainability  
Manager at De Beers Global Sightholder  
Sales.**



# BUILDING FOREVER: DE BEERS' COMMITMENT TO CREATE POSITIVE LASTING IMPACT

**B**uilding Forever is a commitment by De Beers Group to create a positive lasting impact that will endure well beyond the discovery of the last diamond mined by the company

It is the company's blueprint to a better future, one that is fairer, safer, cleaner and healthier, where safety, human rights and ethical integrity continue to be paramount, where communities thrive, and where the environment is protected.

"Building Forever sits at the heart of everything we do. From our mining operations in Botswana, Namibia, South Africa and Canada, through to the stores where we sell our diamonds. Building Forever along with our Purpose and Values guide our work, our decisions and our behaviours," said Wanetsha Mosinyi, Social Investment and Sustainability Manager at De Beers Global Sightholder Sales.

Mosinyi said sustainability is not new to De Beers as the company has been working in many of these areas for years, and in some cases several decades. De Beers Group has already set aside six times the area of land used for mining, for conservation purposes. De Beers Group was the first company in the world to provide employees and spouses with free anti-retroviral drugs to treat HIV/AIDS and have now had 12 years without an HIV-positive baby being born to a De Beers mother. In 2005, the company established the industry's most rigorous set of business, social and environmental standards; and they have achieved much more to date.

"But we also know we can achieve much more if we work with expert partners to guide us, set ourselves ambitious targets, and innovate as we seek to achieve them. The Building Forever Sustainability Strategy was launched in December 2020 with four key pillars of Leading Ethical Practices across Industry; Partnering for Thriving Communities; Protecting the Natural World, and Accelerating Equal Opportunity," said Mosinyi. He explained that with an ambitious vision for each, the four pillars are supported by 12 stretch goals, aligned to the national priorities and development plans of De Beers partner countries and the UN's Sustainable Development Goals (SDGs).

The De Beers Building Forever 2030 goals aim to galvanise the company's employees and partners to achieve their vision for a better future for people and the planet.

"We believe that to build forever we need to challenge ourselves to do better and push further, which is why we have set ourselves the four pillars with 12 ambitious goals we are determined to achieve by 2030. These are vitally important not only to our business, but also to our employees, partners and communities across all facets of our operations," said Mosinyi.

## BUILDING FOREVER PILLARS AND INITIATIVES

### Leading Ethical Practices across Industry

By 2030 De Beers will:

- Extend its Best Practice Principles (a set of leading ethical, social and environmental standards) beyond its value chain to advance industry standards.

**Initiative:** Today, more than 2,700 entities and 350,000 workers across the diamond industry are covered by these exacting standards. The BPPs represented a radical move when they were launched; now we intend to go much further. During the next ten years to 2030, De Beers will regularly evolve the BPPs to keep pace with the highest international standards across all areas of business, social and environmental impact.

- Provide the origin and impact of every diamond it discovers and sells.

**Initiative:** First launched in a Research & Development phase in 2018 and named by Forbes as one of the world's 50 leading blockchain solutions in both 2020 and 2022, Tracr is the world's only distributed diamond blockchain that starts at the source. Tracr provides tamper-proof source assurance at scale, enabling our 'Sightholder' rough diamond customers to provide an immutable record of a diamond's provenance, and empowering jewellery retailers to have confidence in the origin of the diamonds they purchase.

- Deliver scalable solutions to improve the livelihoods of artisanal miners



## Partnering for Thriving Communities



By 2030 De Beers will:

- Achieve priority UN Sustainable Development Goal 3 (SDG3) health targets in all its partner communities
- Establish skills partnerships in all its partner communities
- Have supported four jobs across its partner countries for every one job at its operations

**Initiatives:** We are creating pathways to prosperity for entrepreneurs and in Botswana, our partnership with the Stanford Graduate School of Business having to date supported and created 2686 jobs whilst our partnership with the Government of Botswana, Anglo American and Debswana for the Tokafala programme continues to create industries through SMME development with the Textile project recently launched to ensure production and in-country supply of quality Personal Protective Equipment (PPE).

Similarly, we have continued to support jobs through Beneficiation from infancy through set up of local factories which in turn have supported skills transfer to support Botswana's ambition of being a diamond hub.

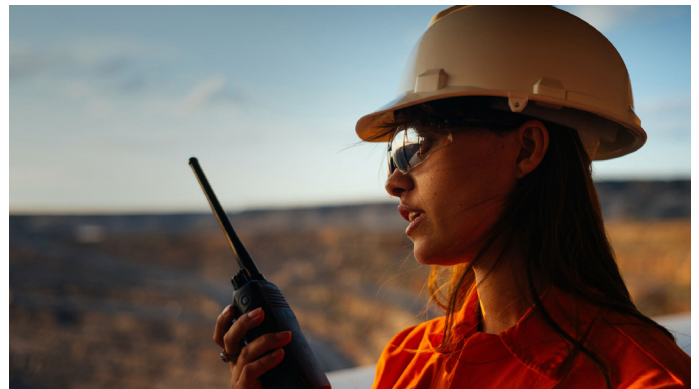
## Protecting the Natural World



By 2030 De Beers will be carbon neutral across its operations. This will entail the following key initiatives:

- Replace Fossil Fuels through a replacement of fleet from hybrid to electric vehicles.
- Introduction of electricity generation projects such as the installation of solar panels at the DTCB parking, a project executed by the DTCB team.
- Reduce energy intensity across our business by capturing efficiencies and implementing our pioneering FutureSmart Mining™ programme. Through breakthrough technology and digitalisation this programme will change the way we mine, making it more effective, efficient and sustainable.
- Replace most of our fossil fuels with green alternative fuels to power our trucks and vessels, and we will partner to create renewable energy sources and replace nearly all fossil-fuelled electricity by developing dedicated wind and solar power plants.

## Accelerating Equal Opportunity



By 2030 De Beers will:

- Achieve equal opportunity, including gender parity, for employees across its workforce
- Support 10,000 women entrepreneurs and engage 10,000 girls in STEM (science, technology, engineering and mathematics) subjects

**Initiatives:** De Beers is working with UN Women and WomEng as well as local governments and other partners to support women studying STEM (science, technology, engineering, and mathematics) subjects. By 2030, we aim to have engaged 10,000 young women and girls in STEM activities. Through our Accelerating Women-Owned Micro-Enterprises (AWOME) programme in partnership with UN Women, we hope to have supported 10,000 female entrepreneurs across southern Africa through mentoring, networking and funding opportunities by 2030. In Botswana, the AWOME programme is currently being implemented in the Okavango Delta in partnership with the Department of Gender Affairs and will expand to Good Hope and Kweneng in the next phase.

- Increase the diversity of creative talent in the diamond jewellery sector Initiative: The Shining Lights Awards (SLA) initiatives continues to evolve and in 2021 judges selected the 12 prize winners (three in each of our producer countries including Botswana) from the 130 applications we received for our 2020/21 competition. The theme was 'The Evolution of Love and Life'. First prize winners received a one-year apprenticeship at the Polytechnic di Milano in Milan. The



runners-up will enjoy a year's hands-on training at a training institution in South Africa, while third prize winners will take part in diamond industry familiarisation programme.

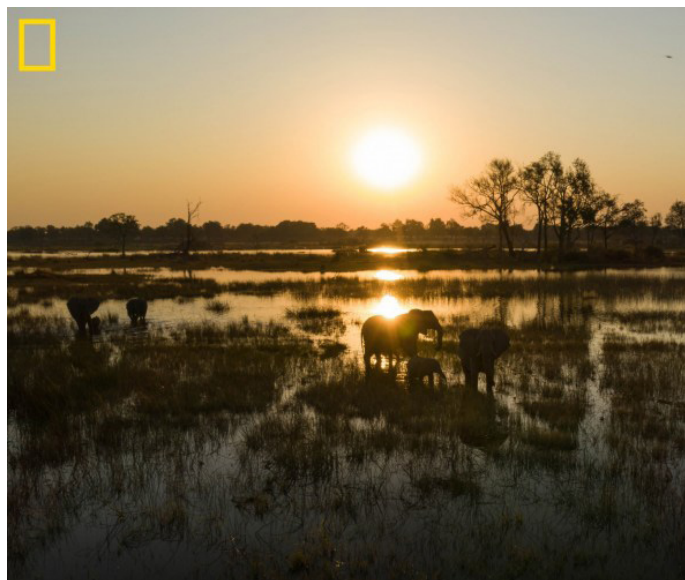
De Beers Group is involved in the entire diamond pipeline through joint ventures from exploration, mining, sorting to retail, which means all Business Units (BU) across that pipeline have developed their own Plans feeding into the Group Building Forever framework on how they contribute to the achievement of the overall Goals.

## PARTNERSHIPS

Mosinyi said De Beers will continue to work alongside key organisations that provide guidance and expertise as the company pursues its 2030 goals.

In 2017 De Beers Group formed a partnership with the Stanford Graduate School of Business (GSB), initially investing \$3 million over three years, to equip and empower 150 young entrepreneurs and 60 CEOs/founders of established companies in De Beers producer countries in Southern Africa. To date, in Botswana those firms have supported and created 2686 jobs.

De Beers established a partnership with UN Women in 2017 to drive greater gender equality in their business and the industry and have seen significant progress since for example our percentage of women in senior leadership has moved from 17 to 29% since then, and the number of women in our Exco from 0 to 45%. Through the same partnership and working with the Department of Gender Affairs, trained and capacitated women to start and grow their businesses through the AWOME programme.



De Beers and National Geographic in 2021 announced the launch of Okavango Eternal, a strategic partnership to protect the source waters of the Okavango Delta and the lives and livelihoods they support. The five-year commitment, which will help protect Africa's endangered species, ensure water and food security for more than one million people and develop livelihood opportunities for 10,000 people, represents critical inward investment to underpin the resilience and long-term recovery of the region in the years ahead. The partnership is focused on working hand-in-hand with communities throughout the Okavango to deliver shared ecological solutions that lead to collective economic opportunity.



Founder of Lecha Bakery,  
beneficiary of Tokafala  
Programme



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Pic - Ministry for State President

**T**he Botswana – South Africa Business Forum, a high-level business roundtable held on the 4th of August 2022, made a commitment to collaborate in development of infrastructure that can ease doing business between the two nations.

Headlined by the two heads of state, President Cyril Ramaphosa of South Africa and President Mokgweetsi Masisi of Botswana, forum was held as part of celebration of the two countries' 28 years of bilateral relations.

Speaking at the business roundtable, President Masisi said Botswana views South Africa as a critical partner especially as the country continuously explores ways to diversify and expand its economic base, to tap into the growing importance of the African market.

"This will be consistent with maximising the advantages that will accrue consequent to the advent of the Africa Continental Free Trade Agreement (AfCFTA)," Masisi said.

President Masisi noted that the AfCFTA brings an opportunity for all Africans to embrace. "Therefore, we hope that we will work together to harness the opportunities that lie ahead, and take advantage of the existing manufactured products to be availed for value chains. Examples that immediately come to mind are the dairy sector and the components availed under the automotive sector. Your auto clusters could deliberately procure auto components from Botswana. I tell you, if this is could happen, trade between our countries will balance off, flourish and our countries' economies will grow in leaps and bounds," Masisi said.

The high-level business roundtable was preceded by deliberations headlined by the Ministers of Trade as well as of international relations from the two countries. Coming out clearly from the deliberations, was the need for the two nations to collaborate and consolidate resources towards infrastructure development as a key enabler of trade and cross border business dealings.

One of the key infrastructure projects highlighted was the Mmamabula - Lephale railway line. The 130 kilometres Mmamabula-Lephale will run from Mmamabula Coal fields north of south east Botswana to Lephale South Africa in Limpopo Province. This highly anticipated railway line is geared to provide a more direct, high-capacity route for coal and other bulk commodities to the

seaborne market, through both Richards Bay and Mozambique sea ports.

While private sector participation has been encouraged over the years, the project has dragged over the years, with take-off not anticipated anytime soon. President Masisi, however, told the Bi-National Business audience comprising captains of industries and private sector players that everything possible will be done at high level political leadership to ensure that this project is delivered.

"Speaking of the Mmamabula - Lephale railway line, if you want to gauge our performance as Presidents of these two countries you can gauge us using this project; we will deliver this project," President Masisi.

The project is expected to be spearheaded by the two country's national rail companies Transnet and Botswana Railways.

Furthermore, Transnet Freight Rail and Botswana Rail have agreed to join forces to fix 126km of rail line between Swartruggens and Mahikeng in the North West. This is another outcome from the high-level business round table between the two countries.

Fixing the rail line will enable heavy haul trains to travel from Botswana to the ports of Richards Bay and Durban for export markets. The project will be funded jointly by both governments with the transport entities given responsibility to implement the initiative.

Botswana Railways and Transnet would further collaborate on security interventions to curb cable theft and infrastructure vandalism, a rising problem in Botswana and rampant in SA which impacts the efficient running of trade between the two countries.

Logistical impediments were some of the issues that were highlighted at the business roundtable. Minergy Coal, one of the country's coal producers has constantly highlighted that it has not been able to take advantage of "export-destined coal oversupply in the regional market due to the inability of Transnet Freight Rail to manage cable theft, inadequate resources, the allocation of sufficient trains and vandalism."



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# Asset Management 101

Boykie Sebobi CEng MIMechE CMRP CAAM

## Part 2: Fundamentals of Asset Management

In Part 1 of this series, we considered the definition of an asset within the context of ISO 55000. We discussed the definition and meaning of asset management, asset management policy, and asset management strategy. In this second instalment I shall examine the key elements and fundamentals asset management.

An asset can be converted to cash. It is an economic resource – it represents value. Anything tangible or intangible that is capable of being owned or controlled to produce value is an economic resource. It is incumbent upon an organisation to implement a system that ensures that assets receive the required level of attention to sustain asset performance and functionality.

Asset management fundamentals. Asset management adopts a holistic position toward assets. ISO 55000 considers four elements of asset management fundamentals that ought to be understood and embedded into asset management to ensure that value is realised from assets. These are:

**Value:** Let us remind ourselves that assets only exist to provide service. Asset management focuses on delivering value to the organisation and its stakeholders. Value may be tangible or intangible, financial or non-financial. The organisation and its stakeholders determine what constitutes value in line with its organisational objectives.

**Alignment:** ‘Line of sight’ translates organisational objectives into asset management objectives through the integration of processes. Asset management decisions taken at top management level take account of bottom-up feedback from the asset management team on asset performance capabilities, opportunities, and constraints.

**Leadership:** Effective asset management requires total ownership by the leadership of the organisation. Leadership, commitment,

and workplace culture at all managerial levels are essential for the successful delivery of effective asset management. Leadership determines roles and responsibilities, as well as competencies of everyone involved.

**Assurance:** An effective assurance framework is a necessary component part of good asset management. The framework includes business processes (e.g., for monitoring and auditing) which provide assurance that assets operate and fulfil their required purpose as intended, and that asset management objectives are achieved consistently and sustainably over time.

The asset management fundamentals are a basic requirement for setting up an asset management system to achieve the organisational objectives. In particular assurance is an integral component which, through internal audits, ensures not only conformance to the asset management system but also the effectiveness of the system. A robust and effective asset management system provides opportunities for improved risk management and control. Part 3 shall discuss the asset management system and how it aligns with organisational objectives.

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# Sandfire to invest P900 Million in Expansion of Motheo Copper Mine

- *Will be expanded from 3.2Mtpa to 5.2Mtpa*
- *A new open pit mine will be developed 8 kilometres from the existing site*

*Pic - Sandfire*

In a massive announcement that affirms the Kalahari Copper Belt as a magnificent host of base metals, Sandfire Resources, the Australian publicly-listed company developing the Motheo Copper Mine in Ghanzi, has revealed that it will spend \$71.9 million (over P900 million) to develop another open pit mine 8 kilometres from the current site.

In a statement floated on the company website, Sandfire said the Motheo Copper Mine in Botswana will be expanded from 3.2Mtpa to 5.2Mtpa following the completion of a positive Definitive Feasibility Study (DFS) including the A4 Deposit and an expanded processing plant.

The total combined T3 and A4 JORC 2012 Probable Ore Reserve estimate comprises 49.6Mt at 1.0% Cu and 14g/t Ag for 474kt of contained copper metal and 21.3Moz of contained silver<sup>1</sup>. The DFS has confirmed the strong business case for development of the A4 Deposit, the first satellite deposit to the Motheo Copper Mine, as part of an expanded 5.2Mtpa Motheo Production Hub strategy.

In completing the DFS, Sandfire has been able to leverage off the work currently underway for the development and construction of the 3.2Mtpa Motheo Copper Mine and the prior work completed on the 3.2Mtpa DFS. The expansion case DFS incorporates A4 and expanding plant production from 3.2Mtpa to 5.2Mtpa.

Mine facilities include surface mining operations at the A4

Deposit, expansion of the processing plant and supporting infrastructure. The recently completed Motheo mining accommodation facility at 752 rooms requires no expansion to accommodate additional manning numbers associated with mining at A4.

New infrastructure for A4 includes a light vehicle access road from the already constructed access road, a dual lane HV haul road to be constructed from A4 to the Motheo Processing Plant, workshops, fuel, crib and office facilities, electrical and water supplies.

Planning is well advanced for a 22MW Photo Voltaic (PV) and Battery Energy Storage System (BESS). The PV plant would be located next to the process plant, with the potential to supply up to 34 percent of the project's future energy needs and will reduce its CO<sub>2</sub> emissions by 475,000 tonnes over the LOM. The capital for the PV plant is currently not included in the LOM capital as firm pricing submissions are being sought.

Subject to the timing of the award of contracts, site construction activities for the process plant expansion are scheduled to commence in the March Quarter of FY2023. Design work for the plant expansion has commenced and the delivery to site of the 4.5MW Ball Mill has also commenced.

No other long-lead delivery equipment is required for the plant expansion. Following process plant expansion construction and commissioning works, increased plant throughput at 5.2Mtpa is expected to commence in the March Quarter of FY2024.





Ore feed for the expanded plant will be from additional T3 Deposit stockpiles until first ore deliveries from A4 commence in the December Quarter of FY2025. Mining pre-strip at A4 is anticipated to commence in the December/March Quarter of FY2024, subject to the approval of the Environmental-Social Impact Assessment (ESIA) and granting of the Mining Licence for A4. Formal submission of the ESIA to the Department of Environmental Affairs (DEA) is planned for the December Quarter of FY2022, with approvals anticipated in the June Quarter of FY2023.

Sandfire said the project's economics are robust and have withstood the significant increases currently seen in input pricing for mining costs, diesel supply, reagents, grinding media and labour. The estimated operating cost for the combined 5.2Mtpa T3 and A4 operation varies throughout the life of mine as changes occur in the cost to mine and process the deposits.

Total development capital estimated at US\$397.4 million incorporates future development costs for the A4 Open Pit and 5.2Mtpa plant expansion of US\$47.9 million and the US\$29.5 million increase in capital cost forecast for the 3.2Mtpa project disclosed in the Company's June 2022 Quarterly Report. LOM Capital is estimated at US\$499 million.

As at 31 July 2022, the Company had invested US\$185.4 million (47%) of the US\$397.4 million development capital. Sandfire intends to fund the development of the 5.2Mtpa expansion through a combination of cash and project debt. The Company

has obtained credit approval for a US\$140.0M project debt facility from a syndicate of banks.

Sandfire's Managing Director and CEO, Karl Simich, said the decision to commit to an expansion of the Motheo Copper Mine following completion of the 5.2Mtpa Expansion Case DFS marked another important milestone in the Company's plans to establish a major new long-term copper mining hub in the Kalahari Copper Belt.

"The DFS has confirmed the robust economics of the expanded project and provides a clear pathway for us to move ahead with an immediate expansion of the 3.2Mtpa project. 'With construction activity well advanced, the 3.2Mtpa project is on schedule for completion in the March Quarter of FY2023, with first concentrate expected in the June Quarter of FY2023, allowing the expansion project to ramp up immediately following receipt of environmental and mining approvals,' he said.

Karl Simich noted that the international team that is delivering the 3.2Mtpa project will seamlessly transition across to the 5.2Mtpa development project, including A4 mining development and process plant expansion.

"In parallel with this development, we are also continuing a major exploration campaign both in the near-mine area as well as across our extensive landholding in the Kalahari Copper Belt aimed at defining additional ore sources that can feed into our expanded processing hub at Motheo or support the development of new production centres across the region."





# P300 million The Fields Mall opens in Gaborone CBD

**T**he Fields Mall, built in the prime land of Gaborone Central Business District (CBD) has opened its doors to the public, after years of hiatus caused by regulators and court battles involving shareholders.

The mall opened its doors on the 28 of July 2022, with media tour preceding the official opening. The construction for the mall was delayed after Department of Environmental Assessment (DEA) raised issues with certain regulatory requirements. The construction only began in September 2020, and was initially scheduled to be completed in April 2022.

The mall, built on 27 000 square metres plot, will house 70 shops, including household names like Spar, Woolworths and Pick and Pay. This shopping centre has an underground parking with 600 car capacity, and has three exit points to ease movement and reduce traffic. According to the Project Manager Hennie Steyn, the mall design would allow future expansion.

The mall is one of the biggest in the country, rivalling other big

mall such as Airport Junction, Game City Mall and Rail Park Mall among others.

This retail facility is owned by several big names colloquially referred to as “Old Boys Club” through complex shareholding involving over 100 individuals and companies. The Field Mall was conceptualized by a consortium called Smart Partnerships Enterprises which is the major shareholder in CDB Fields Holdings (Pty) Ltd, a company which now directly owns the property.

Some of the prominent shareholders are Sam Mpuchane (Chairman), Satar Dada, Festus Mogae, Rafik Sardar, Charles Tibone, Legwaila Legwaila, Mphaphi Phumaphi, Derek Brink, Lawrence Lekalake, and Simon Hirschfeld among others.

Sam Mpuchane, the chairman of Smart Partnership Enterprises said the name of the mall was inspired by the location of the mall. Gaborone CBD used to be a cotton field, during formative years of Botswana.





## Access Bank, Morupule Coal Mine Announce P300 Million Partnership to Support Citizen-Owned Companies

**M**orupule Coal Mine (MCM) and Botswana Stock Exchange (BSE)-listed Access Bank Botswana, on the 18th of August 2022, announced a strategic partnership that will provide financial support and banking solutions to Citizen-Owned businesses that do business with the coal mine.

The partnership pledges access to funding solutions in excess of BWP 300 million and access to markets within the mining and energy sectors, demonstrating the two company's commitment to sustainably driving economic growth and development in Botswana.

Through the strategic partnership, Access Bank will be offering financial support to Morupule Coal Mine's Citizen-Owned Business Partners by providing access to capital aimed at ensuring the sustainability of their enterprises.

Additionally, the funding will support Morupule Coal Mine's Citizen-Owned Business Partners to produce compelling products and services to meet the company's current needs, as well as support the company's growth as energy demand increases globally.

From Seam to Energy, Morupule Coal Mine has been delivering value to its stakeholders since 1973. By creating a focus on smart Coal Mining, and through its expansion strategy; MCM remains resolute in continuing to positively contribute to the socio-economic growth of Botswana present and future.

Morupule Coal Mine General Manager, Mr. Edwin Elias, commenting on the partnership, highlighted that, "Citizen Economic Inclusion (CEI) has always been at the heart of our operations in various ways and continues to form part of our expansion endeavours as a business. It is for this reason that the

establishment of a dedicated CEI Office was intentional.

"The MCM Citizen Economic Inclusion Programme, spearheaded by a passionate and competent team, exists to serve Botswana-Owned Business Partners through such strategic partnerships. Identifying a partner aligned with our sustainability objectives was crucial. As MCM, we are very pleased to partner with Access Bank in our journey of Citizen Economic Inclusion, as funding and the access thereof, is a critical success factor."

Through specialist advice, insights, and experience from decades of banking across the globe, Access Bank has been facilitating the sustainable growth of its stakeholders. By establishing and maintaining strong partnerships and alliances, Access Bank reinforces its commitment to supporting long-term, sustainable empowerment of Botswana.

"Our partnership with Morupule came naturally, given our synergies regarding supporting and empowering SMEs. Supporting local businesses will remain a cause close to our hearts as we appreciate the role they play in shaping Botswana's growth agenda, employment, social cohesion and ultimately improving the quality of life among the previously disadvantaged communities. As a financial solutions partner, we pride ourselves in our clients' successes, therefore we are delighted to be part of such an impactful programme," said Pauline Motswagae, Access Bank Botswana Head of Wholesale Banking.

The partnership is in line with the national, regional and global policy frameworks such as the Citizen Economic Inclusion Act No. 26 of 2021 as the Republic of Botswana drives towards "Achieving Prosperity for All" as espoused in the national Vision 2036.

# SEZA backs Shumba Energy's 100 MW Tati Solar Project

**T**he Special Economic Zones Authority (SEZA) has thrown its weight behind Botswana's renewable energy ambitions by supporting the Shumba Energy's 100 Megawatt Solar project.

Shumba has secured rights to a world-class 100 MWp solar PV project near the city of Francistown, and is currently in the late stage of developing the solar farm on a project site of 295 hectares (ha).

The Project is a key strategic initiative in the region. During the current year, the company obtained the environmental approvals from the Departments of Environmental Affairs.

The company further obtained a generation license for the project from Botswana Energy Regulatory Authority (BERA).

Recently, the Special Economic Zone Authority issued the confirmation of special economic zone (SEZ) status for the project for a duration of 50-years from issue of license.

On 22 October 2021, Ministry of Trade and Industry published Statutory Instrument 89 of 2021, "Income Tax (Special Economic Zones Development Approval) Order, 2021" (SEZ order), to give legislative effect to the income tax incentives that are available to licensed investors and developers operating in Botswana's special economic zones (SEZs). A SEZ licensed business will be taxable at a special rate of 5 percent for the first 10 years of operations in

an SEZ and 10 percent thereafter.

During the second quarter of 2022 Shumba Energy continued to progress developments in relation to the 100 MW Tati Solar Project. Key remaining milestones are the execution of the grid connection agreement and the appointment of an EPC contractor.

**Some activities carried out during the period are as follows:**

## **Borehole**

A borehole has been successfully drilled onsite for purposes of supplying water during the construction phase water. A borehole completion certificate has been received for the borehole which shows that the water is of a good quality.

## **Competent Persons Report**

The Company has completed an Independent Persons Report for the technical aspects of the project. The report concluded that the project is located on undeveloped, largely flat land with high levels of irradiation and low levels of rainfall.

A preliminary grid impact study to assess the impact of the Tati Solar PV plant on the operation of the grid was undertaken which concluded that the Tati Solar PV plant would not have a





significant impact on the fault levels of the local grid and nor would it introduce any additional instabilities and will actually contribute to improving the stability and resilience of the system.

Finally, the site has sufficient space to install the required capacity of PhotoVoltaic(PV) as well as space for possible future expansion of the plant. The site selected is generally flat, hydrology and geotechnical investigations have been undertaken in order to reduce ground risk.

### EPC Procurement

A process is currently underway to engage an Engineering, Procurement & Construction (EPC) who will oversee delivery of the project, four (4) Tier 1 contractors having been shortlisted in the process.

### Geotechnical

SMEC submitted the report on Geotechnical investigations. They concluded that although the whole 300ha site is geotechnically suitable for development, the most suitable portion of the site for the initial phase of development is considered to be the south-western portion of the site, with the exception of the disturbed area.

This deduction has been made based on the interpolated depth to bedrock, as well as the presence of active clays in the north-eastern portion of the site. For ease of reference, the below figure presents the most geotechnically suitable portion (~150ha) of the site. Most of this portion of the site is anticipated to have bedrock at shallow depths ( $<1$  m) and does not present any obvious geotechnical challenges to construction.







Pic - Lucara Diamond Corp

# Lucara reports strong Q2 results as underground shaft sinking commences

**L**ucara Diamond Corporation, 100 percent owners of globally renowned Karowe Mine located near Letlhakane, is back to its high profitability days, registering robust financial results for the second quarter and half year of the current year 2022.

The top gem diamond producer, reported in August that revenue for the three months and six months ended June 30, 2022 totalled \$52.3 million (over P651 million) and \$120.5 million (over P1.5 billion) respectively, a significant growth when compared to the same periods last year.

The company highlighted that during the first half of the year, strong rough and polished diamond market fundamentals continued despite growing global economic uncertainties.

The quarter 2 revenue of \$52.3 million included \$50.0 million from the sale of 66,167 carats from Karowe, top-up payments of \$13.1 million as well as \$2.3 million from the sale of third-party

goods on the Clara platform.

In the comparative quarter, the company achieved revenues of \$46.3 million which included \$45.9 million from the sale of 68,806 Karats from Karowe, top-up payments of \$7.9 million as well as \$0.4 million in revenue from third party goods sold through the Clara platform.

Revenue from sales transacted on Clara – Lucara's digital sales platform during the three months ended June 30, 2022 totalled \$9.4 million, a 13 percent increase from the \$8.3 million in revenue earned in the comparative quarter.

Diamond sales in Q2 2022 continued through HB under the sales agreement for those gem and near-gem diamonds greater than 10.8 carats which are to be manufactured and sold as polished. Other diamonds continued to be sold through a combination of the Clara platform and regular tenders.





Pic - Lucara Diamond Corp

Revenues from the sale of 66,167 carats recovered from the Karowe Mine were \$50.0 million (Q2 2021: \$45.9 million from the sale of 68,806 carats from Karowe). The sales agreement with HB Trading BV ("HB") accounted for 65percent (Q2 2021: 67percent) of total Karowe revenue recognized in the quarter.

The quarter under revenue saw operating cash costs of \$28.78 per tonne processed (Q2 2021: \$27.51 per tonne processed), reflecting the impact of higher input costs, partially offset by a comparatively stronger U.S. Dollar.

During the quarter Lucara registered adjusted EBITDA of \$24.4 million, a 10 percent increase from \$22.2 million recorded in the same period in 2021, attributed primarily to higher revenues. The company reported increase in net income for the quarter, clocking \$12.5 million (\$0.03 basic earnings per share) from \$6.0 million (\$0.02 basic earnings per share) in Q2 2021.

In terms of cash position and liquidity, as at June 30, 2022, Lucara had cash and cash equivalents of \$40.8 million. The company drew an additional \$20.0 million from the \$170.0 million project loan facility for a total drawn amount of \$65.0 million. The outstanding balance on the working capital facility was reduced to zero during the quarter and the full \$50.0 million facility was unutilized as at June 30, 2022. Lucara says a strong U.S. Dollar helped to mitigate increases in input costs, resulting in an operating cash cost of \$28.78 per tonne of ore processed.

Production metrics remained in line with 2022 guidance, 1.1 million tonnes of ore were mined compared to 0.9 million in

second quarter 2021, while waste mined totalled 0.4 million tonnes down from 0.8 million tonnes in the same quarter 2021.

In terms of processed quantities, the second quarter of 2022 and the same quarter last year both sat at 0.7 million tonnes of ore, however the quarter under review fell short in terms of recovered stones against 101,330 carats of second quarter 2021, achieving a recovered grade of 12.0 carats per hundred tonnes compared to 13.9 cpht in quarter 2 2021.

A total of five diamonds greater than 100 carats were recovered during the quarter. The year-to-date Total Recordable Injury Frequency Rate ("TRIFR") of 0.09 (Q2 2021: zero) at the end of Q2 2022 reflects one medical treatment case reported during the first quarter of 2022.

Eira Thomas, President and CEO commented: "In Q2, Lucara celebrated 10 years of continuous operations at its 100percent owned Karowe Diamond Mine and delivered production on plan in combination with healthy diamond sales, reflecting stable polished diamond demand and a continued positive outlook for diamond prices longer term.

Third party volumes on Clara also continued to grow during the quarter, with Karowe goods reliably supplemented in each completed sale. Momentum on the underground expansion continues to ramp up as we began the transition towards the main shaft sinking phase; Lucara maintains access to ample liquidity to support of its growth plans."







Pic - Lucara Diamond Corp

## KAROWE UNDERGROUND PROJECT

The Karowe Underground Project is progressing well approaching major shaft sinking in the last quarters of the year. The Project is expected to extend Karowe mine life to at least 2040, with underground carat production predominantly from the highest value EM/PK(S) unit and is forecast to contribute approximately \$4 billion (over P50 billion) in additional revenues, using conservative diamond prices.

The estimated capital cost for the Karowe UGP has increased from \$534 million (P6.6 billion, including contingency) to \$547 (over P7.1 billion) to reflect expected pricing changes following execution of the main sink contract. Mine ramp up is expected in Q1 2026 with full production from the Karowe UGP expected in H2 2026. The Company is using a combination of cash flow from operations and project debt for the investment in the Karowe UGP, which is fully financed.

During the three months ended June 30, 2022, a total of \$29.1 million (Over P360 million) was spent on the Karowe UGP development, primarily in relation to ongoing construction activities and procurement of long lead items.

During the quarter the pre-sink activities for both the production and ventilation shafts were completed, including placement and

erection of headgear for the production shaft, the main sink contract for the production and ventilation shafts was executed and main sinking of the ventilation shaft commenced.

However, Lucara noted that the transition from the pre-sink to the main sinking phase has been slower than anticipated however, noting that opportunities have been identified to decrease main sink cycle times and reduce the impact to the schedule.

Furthermore, the production shaft stage winder was installed and roped-up, in addition to procurement of shaft station underground mobile equipment and the mine bulk air cooler was initiated. Still during the quarter, the Letlhakane and Karowe power substation construction continued. The transmission line towers were erected in preparation for the stringing of the transmission lines.

The third quarter of 2022 will see commencement of main sinking for the production shaft, as well as awarding of bulk air cooler tender and continued procurement of underground equipment. Furthermore, there will be continuation of detailed design and engineering of the underground mine infrastructure and layout. Commissioning of the 29 km 132kV bulk power supply power line is planned by the end of the year.





# Premium Nickel Resources completes purchase of Selkirk Mine near Francistown

*Premium Nickel Resources Botswana  
CEO, Mr Montwedi Mphathi*

**P**remium Nickel Resources Ltd on 22 August 2022 announced the completion of its acquisition of the nickel, copper, cobalt, platinum-group elements (“Ni-Cu-Co-PGE”) Selkirk Mine in Botswana, together with associated infrastructure and four surrounding prospecting licences formerly operated by Tati Nickel Mining Company (“TNMC”).

The acquisition was completed pursuant to the company’s previously-announced asset purchase agreement with the Liquidator of TNMC in February this year. With the acquisition now complete, ownership of the Selkirk Mine has been transferred to the Company.

The company began comprehensive due diligence programs on the Selkirk Mine in 2020 and has since continued to verify old data and collect new data, including completion of a ‘concept-level’ metallurgical study. The metallurgical testing carried out at SGS Lakefield, Ontario, Canada, will help to establish the Companies re-development plan to produce separate copper and nickel-cobalt concentrates.

Keith Morrison, CEO, commented: “Completing the transfer of ownership of the Selkirk Mine concludes PNRL’s announced asset purchases with the Liquidator of TNMC in Botswana. On a voluntary basis, PNRL will move forward with completing its initial NI 43-101 technical report on Selkirk and the surrounding prospecting licenses. Concurrently, we will prioritize the preparation and exploration requirements that will support our proposed redevelopment plans for new modern operations with state-of-the-art processing and tailings management facilities. The re-development plan will encompass modern best practices, using less power, less water and assuming conservative commodity prices.”

The Selkirk Mine is situated 28 kilometres south-east of the town of Francistown, and 75 kilometres north of the 100% owned Selebi Mines. The Selkirk mining license covers approximately 14.6 square kilometres and the four prospecting licenses cover 126.7 square kilometres.

Production at the Selkirk Mine took place between 1989 and 2002 with Anglo American mining high grade Ni-Cu massive sulphides and producing 1 million tonnes at 2.6% Ni and 1.5% Cu. Thereafter, in 2006, LionOre Mining International Ltd. (“LionOre”) published a technical report in accordance with NI 43-101, which reported a historic indicated mineral resource estimate of 6.0 Mt grading 1.06% Nickel and 0.36% Copper at a cutoff grade of 0.75% Ni.

In Botswana, Premium Nickel Resources operates under PNR Botswana, led by top miner Montwedi Mphathi, former General Manager of BCL Limited, having captained the former copper and nickel giant during its glory days of top tier financial performance.

Monty, as popularly known around the local mining corridors was also General Manager of Botswana Ash (BOTA), the country sole industrial scale Salt and sodash producer.

PNRB has already taken over Selebi Mines in Phikwe, previously operated by BCL, and exploration studies are currently advancing well. Recruitment at Selebi is ongoing as drilling activities proceed to determine engineering designs for mine Infrastructure development and upgrading of underground shafts.



# De Beers revenue on the rise as demand in key markets remains strong



Pic - [www.debeersgroup.com/](http://www.debeersgroup.com/)

- *Half year revenue for De Beers increases to \$3.6 billion due to strong consumer demand.*
- *Production increased by 10% in Botswana due to increased processing at Orapa, Jwaneng.*
- *Deterioration in macro-economic conditions, inflation could reduce consumer spending.*

**D**e Beers Group on the 28th of July 2022 released its half year financial results for the year 2022, the company's revenue increased on the back of strong consumer demand in key markets.

De Beers Group Executive Vice President – Diamond Trading, Paul Rowley, when announcing company performance, said following a continued strong recovery in consumer demand for diamond jewellery over the holiday season at the end of 2021, the year began with healthy demand and inventory conditions throughout the diamond pipeline as retailers restocked in the first two months of the year – with polished diamond prices rising on the back of the strong trading environment.

He said the onset of the Russia-Ukraine war initially affected industry sentiment negatively as diamond businesses sought to understand the potential impact on supply and demand from both consumer self-sanctioning in western markets and subsequent formal sanctions.

“Nonetheless, despite the impact of the war and associated sanctions, as well as the recovering demand for luxury travel, consumer demand for diamond jewellery in the key US market has continued to post positive growth on the record levels of demand seen in 2021,” De Beers said a statement following the presentation of the results.

“Polished prices subsequently started to rise again in the second quarter, especially in the smaller diamond sizes (of which Russia produces a large share) but softened slightly in June from higher inventory levels and increased economic uncertainty.”

The mining giant said the overall improvement in prices was despite the recovery in Chinese consumer demand for diamond jewellery seen at the start of the year being impacted in the second quarter by the latest wave of Covid-19 and subsequent lockdowns in major Chinese cities.

“Demand for De Beers’ rough diamonds remained robust throughout the first half of the year, supported by strong US





consumer demand for diamond jewellery, tightness in global rough diamond supply and De Beers' focus on enhanced provenance assurance for its rough diamonds through its blockchain-backed Tracr™ technology platform," the company said.

### FINANCIAL AND OPERATIONAL OVERVIEW

Total revenue increased to \$3.6 billion (over P40 billion) from \$2.9 billion (over P35 billion) in June 2021 with rough diamond sales rising to \$3.3 billion (30 June 2021: \$2.6 billion), as the midstream replenished their stocks following strong consumer demand over the holiday season.

Rough diamond sales volumes totalled 15.3 million carats (30 June 2021: 19.2 million carats), with the prior period benefiting from very strong demand recovery following the impact of Covid-19 in 2020. The average realised price rose by 58 percent to \$213/ct (30 June 2021: \$135/ct), driven by a larger proportion of higher value rough diamonds sold, as well as growth in the De Beers rough diamond price index.

The rough price index increased by 28 percent compared with the same period in the prior year, reflecting positive consumer demand for diamond jewellery as well as tightness in inventories across the diamond value chain.

Underlying EBITDA increased by 55 percent to \$944 million (30 June 2021: \$610 million), reflecting the recovery in sales. Unit costs were flat at \$59/ct (30 June 2021: \$59/ct) as the benefit of higher production was offset by rising inflation and input costs. Capital expenditure increased by 22% to \$250 million (30 June 2021: \$205 million), largely due to a ramp-up in the Venetia Underground project, ahead of first production in 2023.

### OPERATIONAL PERFORMANCE

In mining, De Beers said rough diamond production increased by 10 percent to 16.9 million carats (30 June 2021: 15.4 million carats), reflecting a strong operational performance and higher planned levels of production to meet continued strong demand for rough diamonds, while the first quarter of 2021 was affected by particularly high rainfall in Botswana and at Venetia.

In Botswana, production increased by 10 percent to 11.7 million carats (30 June 2021: 10.7 million carats) owing to increased processing at both Orapa and Jwaneng, as well as planned higher grade at Orapa.

"The Government of the Republic of Botswana and De Beers Group have extended their existing agreement for the sale of Debswana's rough diamond production by 12 months until 30 June 2023," said the company.





Pic - [www.media.lesechos.com](http://www.media.lesechos.com)

“Following further positive progress towards a new agreement being made in the first half of 2022, the two parties have agreed to the one-year extension to enable the finalisation of the ongoing discussions.”

In Namibia production increased by 50 percent to 1.0 million carats (30 June 2021: 0.7 million carats) primarily due to continued strong performance from the new diamond recovery vessel, the Benguela Gem, in the first quarter of 2022.

In South Africa production increased by 20 percent to 2.9 million carats (30 June 2021: 2.4 million carats) due to the treatment of higher grade ore from the final cut of the open pit at Venetia.

Production in Canada decreased by 22 percent to 1.2 million carats (30 June 2021: 1.6 million carats), primarily as a result of treating lower grade ore and Covid-19 related absenteeism.

## BRANDS AND CONSUMER MARKETS

The strong recovery in US consumer demand for diamond jewellery was reflected in continued growth in De Beers’ branded diamond jewellery from De Beers Jewellers and De Beers Forevermark.

“As diamond provenance and traceability become increasingly important, De Beers continues to invest in its unique ability to provide source assurance for its diamonds at scale, underpinned by the Tracr™ blockchain platform,” De Beers said.

“This proprietary technology provides an immutable record of a diamond’s provenance, underpinning confidence in natural diamonds.”

## OPERATIONAL AND MARKET OUTLOOK

De Beers, which is owned 15 percent by the Government of Botswana, said consumer desire for natural diamonds continues to be robust in key consumer markets. However, the company said, a deterioration in global macro-economic conditions and significant inflation in the key markets could result in reduced consumer spending impacting demand for diamond jewellery.

“Despite this, the combination of ongoing sanctions against Russia, decisions from a number of US-based jewellery businesses to apply their own restrictions on purchases of Russian diamonds, and continued development of provenance initiatives has the potential to underpin continued demand for De Beers’ rough diamonds in the medium to longer term,” the company highlighted.

Meanwhile, the longer term evolution of the diamond value chain continues, including a sustained focus on inventory balance, the efficient distribution of diamonds throughout the pipeline, increased online purchasing, and a greater focus on the provenance and sustainability credentials of companies and their products.

Despite the near term challenges and uncertainties, the long term outlook for diamond jewellery demand remains positive, while the global supply of rough diamonds is expected to slightly decline owing to the lack of recent discoveries. Full year production guidance for 2022 is 32–34 million carats (100% basis), subject to trading conditions and the extent of further Covid-19 related disruptions. Full year unit cost guidance for 2022 is c.\$65/ct.





## BDC commits to Youth Entrepreneurship Development- Alosa Group Graduates out of the first-ever BDC Business Den.

**B**otswana Development Corporation (BDC), on the 25th of August 2022, launched the Alosa Group of Companies. Alosa Group comprises, Alosa Feeds and Alosa Biomass-Charcoal Briquettes and is managed by Samuel Ntshiwa in partnership with Tshegofatso Ntshiwa.

The animal feeds manufacturing and 100% citizen youth-owned company recently commenced operations, at a plant located in Dumela in Francistown, measuring approximately 1,400sqm. After beating off competition from 243 other entrants, Alosa Group was declared winners of the first-ever Botswana Development Corporation (BDC) Business Den and was awarded P500 000.00 funding on a grant basis accompanied by mentorship opportunities. BDC launched its inaugural entrepreneurship development programme called The Business Den in 2020.

This programme aims to reach out to budding, ambitious, and self-driven youth entrepreneurs, to allow them to secure grant funding with mentorship and networking opportunities. The competition was opened to young citizen entrepreneurs between the ages of 18-35, with ideas for either a new or existing business seeking expansion opportunities. "We are pleased to have launched this initiative, as Botswana's main investment arm with a mandate to fund commercially viable projects. This will evidently assist our young entrepreneurs in their desire to take their business concepts to the next level. The competition was open to businesses across all sectors, to align with our mandate of investing in commercially viable projects in all sectors of the economy.

"We are confident in the results that will be delivered by this project as it will fulfill the sustainable development goals for Botswana and reduce the national import bill to become self-sufficient in the production of animal feeds. Our wish is for this country to transform from being largely an importing and consuming country; to being a producer and an exporting country." Said BDC Managing Director Mr. Cross Kgosiidile. BDC remains fully committed to fundamentally contributing to the development of viable, competitive, and profitable manufacturing industry.

Through Alosa Group of Companies, BDC will be fulfilling its mandate of Promoting Citizen and Youth Economic Empowerment; Creating sustainable economic diversification, and Creating jobs for Batswana. Alosa Feeds commenced production in February 2022, with the initial production of mixed fowl (10kg and 50 kg bags).

The company commenced operations by retailing other brand products including chicken feeds such as 50kg broiler growers and starter feed, which are sourced from Irvine's Botswana. This was done to leverage existing brands that the market is familiar with.

Furthermore, the company has other products/stock feeds such as lucerne, maize-bran, and supplements (salt; protein, phosphate, tick and fly blocks). In June 2022, the company commenced the production of pig feed, which will be retailing in 50kg bags. Alosa is the only company in the North of Botswana producing pig feed therefore there is high demand for the product.





## BVI launches P300 million revolutionary blending and filling facility

**B**otswana Vaccine Institute (BVI) has commenced the construction of a new Blending and Filling laboratory, a development that will see Botswana evolving into being a key player in unlocking Africa's vast livestock potential in vaccine production.

Under the captainship of Andrew Madeswi — who assumed the leadership of the organisation last year as General Manager — BVI will invest P300 million in the project. The new building will sit on a 900 square meter surface area which is double the space of the current facility which sits on 400 square meters of land.

When giving a glimpse of the design, Madeswi said structurally, the facility will comprise; the basement section which will house the technical areas and cleaning utilities, the ground floor is set aside for the production areas, first floor will be for offices alongside the air handling unit and technical area, the roof will hold the chillers and water tank.

“The new facility will be fully automated, thus ensuring a high level of accuracy. Furthermore, it will have a data management system that will ensure easier supervision of our processes, we will be able to monitor temperature, humidity and pressure better,” said Madeswi

Madeswi indicated that as BVI, they are evolving from just

being a vaccine supplier to offering complete solutions through their total customer value proposition, where they seek to offer technical services pre-vaccination, vaccination strategy and to also provide quality assurance post vaccination.

“We believe that through this total customer value proposition, we will be able to truly help African countries unlock their livestock potential and bring return on investments for African farmers. We have decided on this approach because we trust the efficacy of our products and our technical competencies gained over 4 decades,” he said.

For his part, the Minister of Agriculture; Honourable Fidelis Molao said that; BVI has positioned itself as an important regional player. He said Botswana prides herself in being the producer of the best beef in the world, indicating that BVI is at the centre of Botswana's beef trade through the production of important vaccines that prevent transboundary and public health diseases, whose presence prevents beef trade and affects sustainability of the sector.

“The world is looking to Africa to feed its ever-growing population and today through this ground-breaking event, we are responding to this call. In this highly regulated sector, it is compelling that BVI continues to develop through investment in infrastructure to help it not only to keep abreast with international





pharmaceutical standards, but to position it well to compete regionally and even globally with other vaccine manufacturers,” Molao said.

BVI Board of Directors Chairperson, Mpho Mphafe-Fish mentioned that: “Phase 1 of the institute was a container that arrived in Botswana from France in 1978 by the then French company; IFFA-Merieux. Phase 2 was a building constructed in 1981 followed by Phase 3 in 2010. The building about to be erected will be dubbed phase 4 and completion is expected in 2025.”

The phase 3 building is the Foot and Mouth Disease vaccine production laboratory, established as a way of improving compliance to international production standards of good manufacturing practice (GMP) as well as increasing production capacity and to be prepared to offer emergency antigen banks for foot and mouth disease vaccines.

The new blending and filling laboratory is said to be the final piece in ensuring that the complete process of Foot and Mouth Disease Vaccine (FMD) production at BVI fully complies with the advanced standards of EU GMP. The new laboratory will

complement the FMD Building that was officially opened in 2010 is expected to open up new markets as well as to give the company added capacity to explore blending and filling of other vaccines, hence increasing its product portfolio for farmers in Botswana and the continent.

In terms of FMD vaccine production, the new facility will allow for production of both aqueous and oil FMD vaccines, since the current facility only manufactures the aqueous. This is important for BVI as they will be able to provide FMD vaccines for all species including pigs which require oily vaccines.

In pursuit of their Strategic Goal of being the largest antigen bank in Africa, BVI has sworn to continually invest and keep abreast of stringent compliance requirements needed to keep ahead of competitors.

“We have therefore fully immersed ourselves into leading the revolution to unlock Africa’s vast livestock potential through this investment,” noted Madeswi.





*James Campbell  
Managing Director  
Botswana Diamonds Plc*

## **BOD subsidiary takes over BCL stake in Maibwe Diamond project**

– BCL (in liquidation) to pocket P411 800.00

**S**iseko Minerals, a company partly owned by Botswana Diamonds plc (“BOD”), the London AIM and BSE listed diamond explorer, has acquired an additional stake in the prospective Maibwe joint venture by taking over shares previously owned by the now liquidated BCL Limited.

Siseko Minerals (Pty) Ltd has now increased its stake from 29 percent to 50 percent. BOD holds a 51.7 percent stake in Siseko. The consideration payable by Siseko is BWP 411,800 (equivalent to approximately £27,215). In addition, Maibwe has agreed to pay a royalty to the liquidators of BCL Limited of 2 percent from any future commercial development.

Maibwe has eleven Prospecting Licenses in the Kalahari area with several kimberlite pipes; one of which has reported significant quantities of microdiamonds. The agreement is, however, subject to various regulatory approvals, such as that of the Competition Authority.

Chairman, John Teeling commented: “We are delighted that after several years of negotiating with the liquidators of BCL Botswana which held in its portfolio the Maibwe diamond joint venture in the Kalahari of Botswana, that we have now been able to unlock the corporate logjam and are now able to move ahead to examine properly the true potential of the Maibwe concession”.

Maibwe diamond project—located in the Kalahari, is among some of the diversification investments that BCL had entered into under its strategy called Polaris II, in which the now defunct copper and nickel giant wanted to diversify its revenue profile.

BCL got into liquidation in 2017, some of its major assets, in particular Selibe Mines in Phikwe and Selkirk in Francistown have since been acquired by Canadian company Premium Nickel Resources.





# Orapa Diamond Golf Challenge back with Bang

**A**fter being postponed for two consecutive years due to the COVID-19 pandemic, multitudes will return to the diamond mining town of Orapa for the spectacular showcase of golf, business networking and social interaction.

The third instalment of the Orapa Diamond Golf Club (ODGC) will be held between 16th and 18th September 2022. This Pro-arm event will feature Botswana's best golf professionals and top ranking amateurs.

What makes Orapa Diamond Challenge so unique is that it integrates business and sport at many levels. The event kicks off on Friday 16th in the morning with a business expo hosted by Debswana Risk Department that focuses on business optimization and risk management.

The sporting side of things will commence on the same day Friday, and run over three days where both professionals and amateurs will compete for the honours to walk away with an actual diamond that has been mined in BOTSWANA.

The format of play will be stroke play for professionals and championship division. All other divisions will play stableford format. The field will attract international players from Namibia, Zimbabwe, Zambia and South Africa.

The three-day event will feature Golfers from Southern Africa, who will come together with a passion for the sport, growing interest for the sport in Botswana and helping the Boteti community. This event provides a platform for companies such

as yours to raise funds with an ultimate goal of making a positive socio-economic impact in Boteti, with a particular focus on vulnerable and underprivileged persons.

The project will be run from the Orapa, Letlhakane & Damtshaa Mines (OLDM), General Manager's office. Funds generated through this noble initiative have, since 2018, benefited the communities within the Boteti area.

The 2018 funds generated were utilized to build a house for the underprivileged and those generated from the 2019 tournament, went to refurbishing the ablutions at Motsumi CJSS in Letlhakane.

The Orapa Diamond Golf Challenge socio-economic impact projects are in alignment with the national vision 2036, Prosperity for all and the Debswana Building Forever Strategy. This year's business expo is themed "Re-imagining Insurance in our Communities". The expo will be hosted by the Debswana Risk Management Department.

Speaking during a stakeholder briefing, Orapa Diamond Golf Challenge Chairman Mr Nelson Nareetsile said the project will have positive impact on the community.

"We will identify and sources suppliers and vendors within the Boteti region where possible, we will also avail opportunities for skills transfer where not possible to use local suppliers, training and competence building will be imparted to all volunteers before the event," he said.



**ORAPA DIAMOND**  
**GOLF CHALLENGE**  
*Beyond the Game!*



Secure Tomorrow  
**Minet**



Leave it to us  
**KGARE**  
INSURANCE BROKERS



Phoenix Assurance Group



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