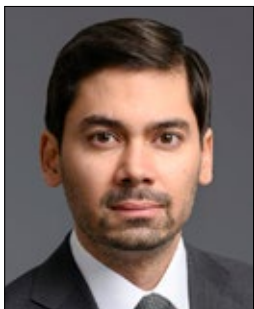


# Investing in Namibia's potential

By **MICHAEL W. SCHERB**

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**MICHAEL SCHERB** is the founder and CEO of Appian Capital Advisory LLP, the investment advisor to long-term value-focused private capital funds that invest solely in mining and mining-related companies. After a career at JPMorgan, Michael set up Appian in 2012 and has developed the company into the largest PE Fund in the metals and mining sector. Today, Appian manages over US\$4 billion for institutional investors including sovereign wealth funds, family offices and pension funds, with a global operating portfolio overseeing nearly 6,300 employees.

Look around and almost everything you see comes from mining. Despite being a global industry steeped in thousands of years of history, it is often underserved and overlooked due to misconceptions over its practices and impact. Those of us in the industry need to be more vocal about the good mining can do. When it is done sustainably and efficiently, mining provides huge benefits for businesses, communities and investors.

Only in recent years has mining's potential become apparent to decision-makers. It is the first link in the entire economic chain, providing the raw materials for everything we use on a daily basis, without which modern life could not function. At the same time, its global reach enables foreign investment to flow to countries around the world. Mining has a 3-5x multiplier effect, meaning for every direct job created, a further 3-5 jobs are created to support the operation. No other industry has this impact.

We are in the midst of the energy transition – which is six times as resource intensive as non-renewables – and mining is playing a fundamental role in sourcing the critical minerals and base metals needed.

At Appian, we are deeply involved in supporting this transformational period. Since 2012, our strategy has been to match quality assets – with a focus on decarbonisation commodities – with long-term capital and technical operating expertise. This means we remain the partner of choice for investors in the metals and mining space. With around US\$4 billion of assets under management, we are the largest dedicated mining and metals private equity and credit firm with a world-class portfolio of mines across the Americas, Australia, Africa and Europe.

We look to do business in attractive operating jurisdictions, prioritising environmental, social and governance issues by incorporating them into our

investment thesis, while proactively engaging with government, businesses and local communities. This enables us to operate small-footprint mines at peak efficiency, delivering substantial value for all stakeholders.

With a strong international reputation for its democratic principles, robust infrastructure and sustainability ambitions, there are few better countries across Africa to invest in than Namibia. The government has projected the country on the world stage and is focused on attracting investment and trade – efforts that have been bolstered by the good work of organisations such as the Namibia Investment Promotion and Development Board, as well as the innovation and energy of the Namibian people.

Appian's acquisition of the Rosh Pinah zinc mine, located in the Kharas region, is one of our three recent investments in this attractive base metal which is playing an increasingly important role in the transition – and Appian's first in Namibia. While the country has rightly championed industries such as clean energy, there is untapped potential in mining to source the critical metals needed to enable decarbonisation.

Having operated almost continuously since 1969, producing up to 2,000 tonnes per day mostly zinc and lead, as well as smaller amounts of copper, silver and gold, the mine has a proven track record of delivery. Appian wants to build on this with the existing management team, using our extensive operational and project development expertise to maximise the potential of the mine for future generations.

More specifically, the ambition for Rosh Pinah 2.0 is to capitalise on the mine's potential through expansion. This includes the construction of new processing facilities, as well as doubling the mine's annual ore throughput each year. But at the heart of the project will be prioritising the safety and environmental performance at Rosh Pinah, a principle that applies to our entire world-class portfolio across several markets.

Appian's entry into the Namibian market has only been possible thanks to the government, our partners and the local community. Their trust and support is something we value deeply, and that we will return through our considerate management of high-profile projects. We look forward to demonstrating the global natural resources potential of Namibia, all the while ensuring the benefits of our industry – in economic, environmental and social terms – are felt at a local level.



Rosh Pinah by night