



## QUARTERLY ACTIVITIES REPORT DECEMBER 2011

### SUMMARY

- The review of all available data on the company's Ongombo copper deposit on the Matchless belt in Namibia by Coffey Mining of South Africa was near completion at the end of December.
- Coffey were scoped to remodel all available data with a view to producing a resource statement for the Ongombo project together with recommendations for the future development of the project.
- The Coffey report and maiden JORC compliant Inferred Resource for Ongombo was announced on the 17<sup>th</sup> January.
- Greg Symons Geophysics have been contracted to undertake an additional geophysical program at Ongombo, aimed at further defining the continuity of mineralisation between the Central Shoot and the Ost Shoot.
- The geophysical program was delayed but it is now envisaged the work will take place in February 2012.
- Finalization of the proposed drilling program at Ongombo will await the results of the geophysical program.
- Due diligence on a number of Namibian base metal projects is ongoing.
- An announcement relating to the acquisition of a major copper project in Eritrea was announced on the 24<sup>th</sup> January 2012.
- The suspension of trading in the securities of Namibian Copper NL was lifted from the commencement of trading on the 25 January 2012 following the release of the Company's announcement regarding the Eritrean acquisition.

The Ongombo property is situated in central Namibia, 22km northeast of the Otjihase copper mine, and 45km northeast of the capital Windhoek. The Ongombo deposit was discovered by Johannesburg Consolidated Investment Company Limited in the early 1970's by airborne magnetics. The gossanous magnetite quartzite outcrops for sporadic intervals over a strike length of 4.7km. Significant exploration was undertaken over the ensuing years, principally by Tsumeb Corporation Limited and Gold Fields Namibia Limited. The work included more than 132 diamond drill holes and resulted in the definition of four individual ore shoots.

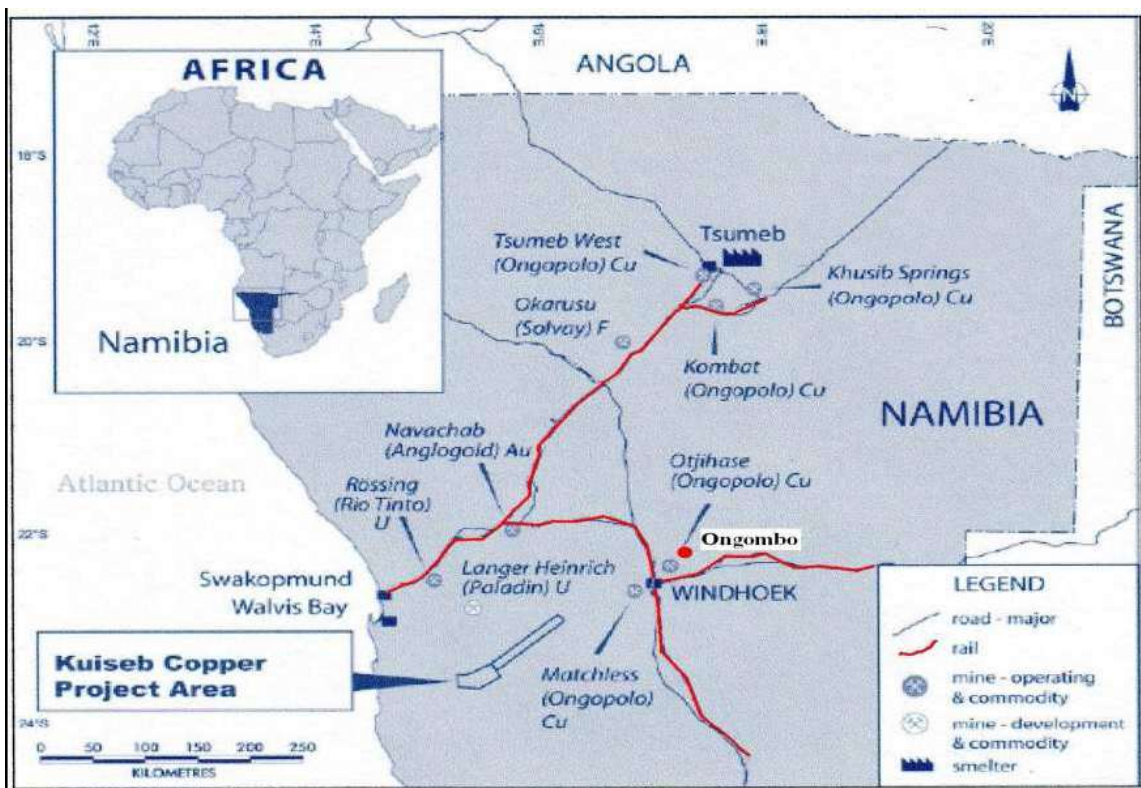


Figure 1: Location of the Ongombo Project in Namibia

Mineralisation at Ongombo is hosted by amphibolites and associated magnetite-quartzites of the Matchless belt. The Matchless belt extends for 400 km through the intracratonic branch of the late Proterozoic Damaran orogenic belt. The Matchless amphibolites represent an intercalation of subsequently metamorphosed basic to intermediate submarine tholeiitic volcanic rocks. The Matchless belt hosts several volcanogenic-exhalative, stratiform and strata-bound cupriferous pyrite deposits containing subordinate and variable amounts of zinc, lead, silver and gold. The average grade of the ten most important deposits is 2.3% Cu, with a range of 1.3-3.9% Cu.



There is a total of 18 individual ore bodies that have been recognized including the Gorob, Matchless, Otjihase, Ongeama and Ongombo deposits. Iron sulphides generally dominate the sulphide mineralogy of the deposits, pyrite being dominant. Chalcopyrite is the most important sulphide economically, although bornite, galena, sphalerite, and marcasite have been historically reported.

An additional geophysical program will be undertaken at Ongombo prior to the commencement of drilling. Greg Symons Geophysics have been contracted to undertake the work, which is aimed at further defining the continuity of mineralisation between the Central Shoot and the Ost Shoot. It is anticipated the geophysical program will be completed during February 2012. Finalization of the drilling program will await the results of the geophysical program.

## **NEW PROJECTS**

During the quarter Namibian Copper NL has continued to assess participation in other international projects. In addition, the company is also looking at expanding its interests in base metals in Namibia. Whilst due diligence on the Namibian projects are ongoing, an announcement relating to the acquisition of a major copper project in Eritrea was announced on the 25<sup>th</sup> January 2012.

The suspension of trading in the securities of Namibian Copper NL was lifted from the commencement of trading on the 25 January 2012 following the release of the Company's announcement regarding the Eritrean acquisition.

*The review of exploration activities and results contained in this report is based on information compiled by Alan Marlow, a Member of the Australasian Institute of Mining and Metallurgy. He is a Non-Executive Director of the Company and has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Alan Marlow consents to the inclusion of this information in the form and context in which it appears in this report.*