



Mining & Minerals

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Namibia

Rare earth mining in Namibia:
Strategic partnerships and the
emerging legal landscape



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Rare earth mining in Namibia: Strategic partnerships and the emerging legal landscape

Rare earth elements have moved from being specialised industrial minerals to strategic inputs for the global energy transition, advanced manufacturing and economic security. Although the term "*rare earths*" covers 17 elements, a smaller group of magnet rare earths, particularly neodymium, praseodymium, dysprosium and terbium are critical to the production of high-performance permanent magnets. These magnets are used in electric vehicles, wind turbines, industrial motors, robotics, consumer electronics, data centres, medical technologies, aerospace systems and defence applications. Against this backdrop, Namibia is increasingly positioning itself as a credible alternative supplier of these critical minerals.

At the global level, rare earths have become a strategic resource class. dysprosium, terbium, neodymium, praseodymium and yttrium are no longer viewed merely as specialty minerals, they are increasingly treated as industrial security inputs. This is particularly important for the US, Europe, India, China and Japan, which all are seeking to reduce dependence on concentrated supply chains and strengthen access to critical raw materials. Namibia's relevance lies not only in the presence of rare earth deposits, but also in its stable mining jurisdiction, port infrastructure, established mining culture and growing policy emphasis on local value addition.

What are rare earth metals?

Rare earth elements comprise a group of 17 chemically similar metals with unique magnetic, optical and catalytic properties. These characteristics make them indispensable for a wide range of modern technologies, including wind turbines, electric vehicle motors and advanced electronics. Although relatively abundant in the Earth's crust, rare earths are difficult and costly to extract and refine into usable forms. This technical complexity, rather than geological scarcity, is what makes them "*rare*" and strategically important. As a result, rare earths are increasingly classified as critical minerals within global industrial and policy frameworks.



Broadmind Mining and the Eisenberg Project

Broadmind Mining (Broadmind) is a Namibian-owned company developing the Eisenberg Carbonatite Rare Earth Project (Eisenberg Project) near Kalkfeld in the Otjozondjupa region. The project is notable for the scale of its inferred mineral resource and its potential to support an integrated Namibian rare earth mining, processing and beneficiation operation. Available technical information indicates that the Eisenberg deposit hosts rare earth mineralisation associated with an iron-rich carbonatite system.

The Eisenberg Project has progressed beyond a purely conceptual exploration opportunity. Broadmind has obtained an environmental clearance certificate, completed a preliminary economic assessment, and obtained a technical report prepared in compliance with Canada's National Instrument 43-101 (NI 43-101). NI 43-101 is a stringent Canadian legal and regulatory framework governing the public disclosure of scientific and technical information relating to mineral projects, including resource estimates, technical studies and statements concerning project economics. Broadmind is further progressing its Pre-Feasibility Study, which will be a key step in refining the project's technical, operational and economic parameters.

Broadmind's stated objective is not limited to extracting rare earth-bearing material for export. It envisages mining, producing and refining rare earth elements in Namibia. This objective is strategically important because it aligns with Namibia's growing emphasis on domestic beneficiation, value addition, skills development and industrial linkages, rather than the export of raw or minimally processed mineral products.

From a legal and regulatory perspective, however, Eisenberg remains a project moving through the broader development and permitting pathway. Environmental documentation indicates that Broadmind has applied for a mining licence within EPL 6688 for rare earth mining.

Eisenberg accordingly illustrates the emergence of a new generation of Namibian critical minerals projects: locally owned, beneficiation-oriented and aligned with national industrialisation objectives. Its ultimate development will nevertheless depend on the successful completion of the pre-feasibility study, finalisation of technical and economic assumptions, securing of project financing, adequate water and energy solutions, continued environmental compliance, and the timely acquisition of all required regulatory approvals.



LOFDAL: Strategic partnership as a route to market

Lofdal is currently Namibia's most advanced rare earth development and represents a compelling model for how international strategic partnerships can unlock critical mineral projects. Developed by Namibia Critical Metals, the project is focused on heavy rare earth elements, particularly dysprosium,

terbium and yttrium. The project's advancement demonstrates that geological potential alone is insufficient; credible partnerships with established industrial players are increasingly determinative of project success.

The project's distinctive partnership structure offers significant legal and commercial advantages. Lofdal is being advanced with Japan Organization for Metals and Energy Security (JOGMEC), Japan's state-backed resource security agency, and Toyota Tsusho, the trading and industrial supply chain arm of the Toyota Group. From a legal structuring perspective, these partnerships provide several benefits: (i) risk-sharing through co-investment arrangements that reduce single-party capital exposure; (ii) access to established off-take channels and guaranteed market access, which addresses the critical route-to-market challenge facing greenfield rare earth projects; (iii) technical credibility and compliance assurance, as partners of this calibre typically require adherence to international standards for feasibility studies, resource estimation and ESG performance; and (iv) enhanced bankability, as financiers increasingly favour projects with committed industrial partners and secured off-take arrangements over purely speculative mining ventures.

From a supply chain integration perspective, the JOGMEC and Toyota Tsusho structure directly links Namibian mineral development to Japanese industrial demand, particularly in magnet supply chains where Japan is actively seeking diversification away from concentrated supply sources. Recent public

announcements indicate increased JOGMEC funding to support the definitive feasibility study and related de-risking work, as well as renewed drilling activity in 2026, signalling that Lofdal is transitioning from resource definition toward investment readiness. However, cross-border partnerships of this nature also present legal considerations that must be carefully managed: these include compliance with foreign investment regulations under Namibian law, potential technology transfer and intellectual property arrangements, cross-jurisdictional dispute resolution mechanisms, and alignment with Namibia's beneficiation policy objectives, which require in-country processing rather than raw material export. For investors in Namibia's rare earth sector, the Lofdal model illustrates that partnership structures are increasingly essential to converting mineral potential into viable, bankable and export-compliant projects.

Legal and regulatory framework

Namibia's mining sector is governed by the Constitution and the Minerals (Prospecting and Mining) Act, 1992 (Minerals Act), which vests ownership of all mineral resources in the state and regulates exploration and mining activities through a licensing system administered by the Ministry of Mines and Energy. A defining feature of the regulatory framework is the significant level of discretion exercised by the authorities, particularly in relation to licence conditions, approvals and ongoing compliance obligations. This allows the state to tailor requirements to specific projects, but also introduces a degree of uncertainty that investors must carefully manage.



Mining & Minerals

The policy environment is, however, evolving in response to the increasing strategic importance of critical minerals. Namibia's beneficiation agenda is primarily driven by the Mineral Beneficiation Strategy for Namibia (2021–2030), which seeks to transition the country from a raw mineral exporter to a producer of higher-value processed and manufactured products. This policy is reinforced by the Government's decision to restrict the export of unprocessed critical minerals, including rare earth elements, to promote local processing, industrialisation and value addition within the domestic economy.

While these developments create opportunities for in-country beneficiation, they also have important implications for project structuring and investment decisions. Beneficiation requirements may increase capital expenditure, infrastructure needs and project timelines, especially where local processing capacity is still developing.

At the same time, ESG considerations are becoming central to both regulation and investment decisions. Rare earth mining carries heightened environmental and social risks, requiring strict compliance with environmental approval processes, careful management of community impacts and adherence to evolving sustainability standards.

Collectively, these developments signal a shift toward a more interventionist and strategic regulatory framework, aimed at ensuring that greater value from mineral resources is retained within Namibia while balancing investor interests with long-term national development objectives.

Key considerations for investors

For investors, Namibia's rare earth sector presents both opportunity and complexity.

- **Integrated investment models:** Strategic partnerships combining equity, financing and offtake are becoming more common.
- **Regulatory discretion:** Licensing and project approvals remain subject to ministerial discretion.
- **Beneficiation requirements:** Policies promoting local processing may impact project costs and timelines.
- **ESG considerations:** Environmental and social risks must be carefully managed.
- **Geopolitical context:** Projects are increasingly shaped by global supply chain dynamics.

Conclusion

Namibia's rare earth sector is strategically positioned, but legally and commercially demanding. Broadmind's Eisenberg Project reflects the promise of locally owned beneficiation-oriented mineral development. Lofdal demonstrates how international strategic partnerships can convert geological potential into a more bankable supply chain proposition.

The emerging legal landscape suggests that rare earth projects in Namibia will increasingly be assessed not only on mineral title and resource size, but on their ability to deliver local processing, Namibian participation, environmental compliance, infrastructure solutions, community benefits and credible routes to market. For investors, the opportunity is significant; for project developers, the compliance burden is increasing; and for Namibia, the central challenge will be converting rare earth potential into long-term industrial value.

Rihupisee Kavari and Shereef Martin



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