



## Investment Opportunity: Manufacturing Foundry Project

There is currently no foundry industry in Namibia and imports of products relevant to castings are estimated at approximately NAD 740 million per annum. The largest market sector for castings is the mining industry, with an estimated annual consumption of NAD 300 – 350 million. More than sufficient scrap metal is generated in Namibia to support a medium-sized foundry operation.

Although scrap metal originates from several industry sectors, including construction and general engineering, the main source of high-quality scrap for the foundry is the mining industry, which generates an estimated 4,000 – 5,000 tonnes of scrap per annum. This is an order of magnitude higher than the amount of scrap required by a foundry.

### Project Overview

There is sufficient market potential and interest to warrant the establishment of a foundry facility in Namibia. The feasibility analysis and business plan focused on the establishment of a plant with an initial capacity of 60 tonnes of castings per month, which would require a market penetration of only 20% in the mining sector and therefore leave substantial scope for growth in this industry as well as other sectors such as railways. Break-even turnover is at NAD 42 million per annum with the plant expected to be profitable from year 2.

Break-even turnover N\$42 million per annum, plant expected to be profitable from Year 2.

### Project Timeline Summary

Available from contact

### Investment Opportunity

USD 1.56 million or NAD 21 million

Funding split:	USD	NAD
Equity shares negotiable with promoter.		
Loan finance negotiable with promoter.		

NAD : USD = 13.5

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