NAMIBIAN MINERALS CORPORATION
MATERIAL CHANGE REPORT

Form 27 *Securities Act* (Ontario)
Form 27 *Securities Act* (British Columbia)

Item 1. **Reporting Issuer**

Namibian Minerals Corporation
Suite 243 – 247 Pavilion Road
London, England
SW1X 0BP

Item 2. **Date of Material Change**

2 October 2000

Item 3. **Press Release**

2 October 2000

Nasdaq Trading Symbol: NMCOF
TSE Trading Symbol: NMR
NSE Trading Symbol: NMC

Namibian Minerals Corporation (NAMCO) today announced that its new exploration vessel MV *Zacharias* has started exploration of the Company's ocean diamond licences off the coast of Namibia. The vessel has been chartered for five years and the programme will incorporate the new licence areas acquired in the takeover of Ocean Diamond Mining last year.

Earlier this year, Namco completed geophysical and geotechnical surveys in its three mining licences to create high-quality maps of the varying water depths, ocean floor characteristics and sediment composition and thickness. Using the latest advances in survey technologies, 3D pictures of the ocean floor were produced, and a number of feature areas with diamond potential were clearly identified, including old cliff and beach lines, terraces and basins.

Following these surveys, Namco's geologists identified 163 prospective feature areas on the inner continental shelf (covering an area of 658 sq.km.) out to 100 metres of water depth in Mining Licences 36, 51 and 103A. Of these, 65 target features (covering an area of 295 sq.km) have been prioritized for exploration in 2000 and 2001, primarily adjacent to the current mining areas in Mining Licences 36 and 51. These extensions of Namco's known resource areas are considered highly prospective. To date, approximately 500 000 carats of diamonds have been recovered from Mining Licence 51 and 250 000 carats recovered from Mining Licence 36.

The Company's objective is to substantially increase its resource base and to maintain sufficient resources in the measured and indicated categories for at least two years future mining. As at 31 December 1999, Namco's total estimated diamond resources were 3.7 million carats, comprising 830 000 carats of measured resources, 605 000 carats of indicated resources and 2.2 million carats of inferred resources.

MV *Zacharias* is equipped with a range of exploration equipment including the new drilling system developed with engineering group Wirth, an airlift sampling tool, a grab sampler and vibrocore. These capabilities will provide Namco with detailed information on each sample sites' geology, diamond minerlisation and sediment structure. As well as providing

representative samples for resource calculations, this high quality information will enhance future mine planning.
The first 20 features to be sampled contain sediments of less than three metres. Reconnaissance sampling has started using the airlift sampling tool and vibrocore, with the objective of testing resource additions for the existing airlift mining vessels. MV *Zacharias* is equipped with a dynamic position system which allows highly accurate and rapid movement between sample sites. The Wirth tool will be used for follow-up sampling and to test deeper sediment extensions adjacent to current mining areas. During the final preparation of the vessel in Cape Town, the launch and recovery A-frame onboard Zacharias was damaged and repairs are currently being carried out. The phasing and timing of exploration is not affected.

The capital cost for exploration incurred this year totalled $8.3 million reflecting heavier expenditure on a new winch system for the 85 tons Wirth tool and costs of new processing plant. Annual operating costs are targeted at US$5 million. The Company expects to announce exploration results quarterly.

"This is our first opportunity since 1996 to start continuous sampling," said Namco's Exploration Director Mike Woodborne. "We have identified a large number of promising feature areas to build an expanding base of diamond resources, which is important for our future growth."

Namibia is the world's fifth largest diamond producer by value and currently produces approximately 1.5 million carats per annum. Mining of Namibia's beach deposits started in 1908 and since then more than 75 million carats have been recovered. With substantial investment and developments in technology, ocean diamond resources were discovered and commercial diamond production was started by De Beers off the coast of Namibia in 1990. Ocean diamond mining today accounts for approximately 60% of total Namibian diamond production.

Namco is Africa's second largest diamond producer with three mining vessels working off the Namibian coast. The Company's fourth mining vessel MV *Ya Toivo*, equipped with the proprietary Nam 2 seabed crawler, is scheduled to start operation in fourth quarter 2000.

Item 4. **Summary of Material Change**

See Item 3 above.

Item 5. **Full description of Material Change**

See Item 3 above.

Item 6. **Reliance on Section 67 (2) of the Act**

If the report is being filed on a **confidential** basis in reliance of Section 67 (2) of the Act, state the reasons for such reliance.

N/A

Item 7. **Omitted Information**

N/A

Item 8. **Senior Officers**

J.A.Holberton
Chairman and CEO

Telephone: 44 20 7824 8900

Item 9. **Statement of Senior Officers**

The foregoing accurately discloses the material change referred to herein.

DATED at London, United Kingdom this 2nd day of October, 2000.

NAMIBIAN MINERALS CORPORATION

“J.A. HOLBERTON”

J.A.Holberton
Chairman & CEO