

Mkango empowering Phalombe farming communities

- Rare earth prospector donates pigeon pea seed to 1,000 farming families
- Mkango aiming to introduce commercial farming to subsistence farming communities

Mkango Resources has once again proved to be a partner in need to the farming communities surrounding its flagship Songwe Hill Rare Earth Project in Malawi's Southern District of Phalombe by donating pigeon pea seeds of a high yielding variety known as N'inthawajuni or Agora to the impoverished smallholder farmers.

Country Manager for Mkango Resources, Mr. Burton Kachinjika, said the firm, which also provided seeds to the farming communities in the previous three growing seasons, has repeated the program again this year as a way of showing its commitment to develop the area.

Kachinjika explained that Mkango, which is prospecting for rare earth elements at Songwe Hill, has been providing various kinds of seeds to the farming communities in the area over the past four years as part of a trial programme that aims at finding a cash crop that suits the area's particular weather conditions.

"As a stakeholder partner to the people of Phalombe and in particu-

lar the Songwe area, our vision is to economically empower the area's subsistence farmers by introducing them to commercial farming. Through this seed distribution programme, we want to identify a crop that suits the area's conditions and fetches good prices on the market for the benefit of the community members," he said.

Previously, the firm gave the farming communities soya bean and pigeon pea seeds but, unfortunately, the crop did not flourish due to unfavorable weather conditions and incompatible soil.

Kachinjika explained that in consequence, Mkango engaged the National Small Holder Farmers Association of Malawi (NASFAM) on the issue, and they advised that a certain variety of pigeon peas, in vernacular known as *Nandolo* or *Epweri*, would be a better alternative for the area.

Speaking during the presentation ceremony held at the firm's project site situated in the area of Group Village Headman Maone, Traditional Authority Nazombe, Kachinjika said the company would not give up until the appropriate cash crop for the area is discovered.

He said: "Last growing season we provided 3000 kilograms of high-yielding pigeon pea seed variety called Mwaiwathu Alimi (ICEAP 005577) to 60 farmers, but, unfortunately, the crop did not crop well. We, therefore, discussed with local farmers and experts from NASFAM to discover what crop the local farmers prefer and they opted for a certain variety of pigeon peas locally known as N'inthawajuni or Agora which is known to favour the conditions of the area."

"Today we are giving them 4000 kilograms of the preferred variety which will be shared among 1000 farming families, with each one getting 4kgs," said Kachinjika.

He explained that the arrangement is that, upon harvesting the crop, each farmer would be required to return 8 kg of their proceeds to Mkango Resources Ltd for seed storage, so that the seed will be redistributed in the following growing season to an increasing number of new farmers.

"This is a seed building up revolving fund which every farming household in the area should eventually benefit from. We hope through this initiative, the



Mr. Kachinjika (c) and Mkango Resources administrator, Effie Likau (far right), making a symbolic presentation of the seed to two of the traditional leaders for the area

farmers would be able to yield enough produce both for domestic consumption and for sale," Kachinjika said.

He also said Mkango Resources is jointly working with NASFAM to identify markets that offer better prices for the produce.

In his speech, NASFAM field officer for Phalombe, Assistant Joseph Magawa, advised the farmers to intercrop the pigeon seed with maize, which is the major staple crop for the area.

Magawa estimated that the 4 kg would be enough to cater for a half acre field and a yield of 300 to 500 kg per half acre would be realized if proper ways of caring for the crop are followed.

Besides the seed distribution programme, Mkango Resources has drilled and repaired an increasing number of water boreholes in the area to provide portable water for the communities, constructed access roads and bridges, and is also carrying out a road maintenance programme as part of its corporate social responsibility programme.

"We have partnered you, the people of this area, so that you are in a position to benefit from

the potential future mining activities that may take place here," said Kachinjika.

Speaking on behalf of over 1000 subjects from 15 villages who attended the presentation ceremony, Village Head Namalamba expressed profound gratefulness to Mkango Resources for showing total commitment towards the project, which is helping to develop the area.

"Your repeated efforts trying to provide us with a cash crop that will aid us economically indicate that

you are sincere in your dealings with the people of this area. The people led by traditional leaders, really appreciate your commitment. We will partner you all the way, because we have noticed that your continued stay in our area is mutually benefiting us," said Namalamba.

Mkango has been carrying out its rare earth exploration activities in the area since January 2010 through its wholly owned subsidiary, Lancaster Exploration Ltd.

The Songwe Hill Rare Earth Project has progressed from very early stage exploratory drilling to completing in record time during 2014 a pre-feasibility study whose re-

sults released indicated that the deposit has a potential net present value of US\$293-million and a future projected 18-year mine life.

The firm's President Alexander Lemon said the results of the pre-feasibility study positioned Malawi globally as a potential sustainable rare earth producer.

Mkango has now begun its definitive feasibility study for the project following the announcement of positive pre-feasibility study results.

The rare earth elements expected to be mined at Songwe include Praseodymium, Neodymium, Dysprosium which are used in the manufacture of high strength magnets used in Hybrid electric cars such as the Toyota Prius and cerium, terbium and yttrium used in colour phosphors used in flat screen tv's, computers & mobile phones.

Mkango Resources also holds another Exclusive Prospecting License in the Thambi area in Malawi's Southern District of Mwanza where it is successfully targeting and exploring for a range of minerals including uranium, zircon, and niobium over an area of 468km².



Mkango Resources employees off-loading bags of the seed



Kachinjika address members of the farming communities



Beneficiaries of the Mkango Resources initiative



All-smiles: farmers shake hands in celebration



Man carries his share home