

Myriad of opportunities in Zim's mining sector

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Photo by Bloomberg

DIAMONDIFEROUS Zimbabwe has deposits of high-quality diamonds, which are in high demand on the global market

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Zimbabwe is poised for growth and, with the country committed to ensuring a sustainable growth path, there is a host of investment opportunities in the mining industry to be capitalised on.

This is according to the investment promotion body Zimbabwe Investment Authority's Invest in Zimbabwe Handbook 2017, published in March.

The handbook, compiled by the Ministry of Macro-Economic Planning and Investment Promotion, and the Zimbabwe Economic Policy Analysis and Research Unit, aims to provide critical information to prospective investors in Zimbabwe, as a way of enhancing the country's business environment.

Zimbabwe boasts the largest concentration of mineral deposits in the world, along the Great Dyke corridor, a linear geological feature that extends more than 550 km north-east to south-west across the centre of the country. The Great Dyke hosts the world's second-largest reserve of platinum-group metals and also harbours other rich mineral occurrences, the handbook indicates.

There are more than 40 different minerals present in Zimbabwe, with the country hosting diamonds, platinum, gold, nickel, copper, iron-ore, zinc, chromium ores, asbestos, vanadium, lithium, tin and coal to name a few. With regard to gold, the country has over 4 000 recorded deposits, 90% of which are associated with greenstone belts that are some of the richest in the world, the handbook highlights.

Moreover, Zimbabwe also has deposits of high-quality diamonds, which are in high demand on the global market and is home to the second-largest diamond reserve in the world.

Zimbabwe can further lay claim to eight of the nine rare-earth minerals as well as having the capacity to process gold, diamonds and chrome. The country also has the largest known chrome ore resources in the world.

Zimbabwe also exports about 166 000 m³ of raw granite yearly, with mineral exports accounting for over 50% of its foreign export earnings and the minerals sector contributing about 16% of the country's gross domestic product. The handbook details that unfettered exports from Zimbabwe are authorised for all goods, save for those that are of national interest – including the export of wildlife, hides and minerals.

Zimbabwe's rich mineral resources base presents lucrative opportunities for exploration, mining and beneficiation, posits the handbook.

The country presents vast opportunities for kimberlitic diamond discoveries, with over 150 kimberlites having been discovered to date.

Zimbabwe is estimated to have more than 20-trillion cubic feet of quality coal-bed methane (CBM) available for exploration and production. There are over 26-billion tonnes of coals reserves. The Hwange area has large reserves of both coking and thermal coal. Despite the widespread occurrence of coal in the country, development and production has so far been confined to Hwange, with potential for more exploration and production beyond the area, notes the handbook.

Opportunities by Mineral

In terms of minerals exploration and extraction, investment opportunities exist in gold, coal, CBM, chrome, black granite and diamonds. These opportunities include new project development, the resuscitation of closed mines, such as the Sabi gold mine, in Zvishavane, which restarted operations at the start of this year; and the Kamativi tin mine, in Matabeleland North, and recapitalisation of lithium and nickel mines.

Value-addition investment opportunities exist in the lithium chemicals and lithium batteries industries, the cement industry in terms of limestone, gold jewellery manufacturing, the construction and dimensional stone polishing industries in terms of black granite, and the cutting and polishing, and jewellery manufacturing industries in relation to diamonds, gemstones and semiprecious stones.

Potential also exists in steel manufacturing using iron-ore, nickel and chrome; the conversion of coal to liquid fuel and the use of coal in electricity generation or domestic consumption and export. The handbook also notes cement and brick manufacturing using ash from combusted coal. Further, phosphate and CBM opportunities with regard to fertiliser manufacturing are highlighted, as are platinum refining and chrome ore processing.

Opportunities by Province

In Harare, opportunities exist for investors in quarry stone mining with regard to road building and maintenance, mining and asphalt manufacturing for roads, as well as in mining-related manufacturing.

In Manicaland, opportunities exist in gold and diamond mining, as well as in diamond cutting and polishing. Meanwhile, in Masvingo, mining of lithium, which is being undertaken by lithium producer Bikita Minerals, is highlighted, as well as tantalite, coal, iron-ore, gold, limestone and chrome. Opportunities in beneficiation and value addition are also noted.

Midlands presents investors with opportunities in prospecting for gold, coal, diamonds, granite and platinum. There is also potential to rehabilitate steelworks entity Zimbabwe Iron & Steel Company and ferrochrome producer Zimbabwe Alloys furnaces, as well as reopen the Shabanie asbestos mine.

In Mashonaland East, gold, black granite and limestone prospecting opportunities exist, as does potential to establish processing plants.

Further, Mashonaland Central is highlighted for its gold ore customer milling centres and chrome smelter prospects. Exploration opportunities are noted in Mashonaland West, as are gold, chrome, platinum, copper, manganese and coalmining. Other prospects are presented by the beneficiation of gold, platinum, chrome, copper, nickel, manganese and coal.

Matabeleland North, where the Kamativi tin mine is opening, offers the prospecting and mining of various minerals, quarrying, gold deposits in the Bubi and Umguza districts, coke processing in Hwange and methane gas in Lupane. Lastly, opportunities exist to operate haulage trucks to ferry coal from Hwange.

Matabeleland South also has various mineral occurrences, some of which have not been explored. It also offers opportunities in gold with regard to resuscitating existing mines, prospecting and the establishment of new mines. Five of the seven districts in Matabeleland South host gold deposits. There are also opportunities involving artisanal miners; if properly equipped and capacitated to remit communal share ownership trusts, indicates the handbook, noting lastly, the potential to create value-addition and beneficiation centres in the province.