ZAMBIA’S MINERAL POTENTIAL
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OUTLINE OF THE PRESENTATION

- GEOGRAPHICAL LOCATION AND PROVINCES;
- ORGANISATION STRUCTURE OF THE MINISTRY OF MINES;
- SOME GEOLOGICAL DATA AT THE GEOLOGICAL SURVEY;
- GEOLOGICAL SETTING;
- DIFFERENT MINERAL COMMODITY MAPS;
- OIL AND GAS POTENTIAL IN ZAMBIA
- MINING SECTOR INCENTIVES;
- SOME ZAMBIAN MINING PROJECTS THAT MAY NEED INVESTMENT.
Administrative provinces of Zambia
1 REGIONAL GEOLOGICAL MAPPING

• 58% OF THE COUNTRY HAS BEEN GEOLOGICALLY MAPPED

• 123 1:100,000 SCALE GEOLOGICAL MAPS AND REPORTS PUBLISHED

• SIX 1:250,000 SCALE GEOLOGICAL MAPS PUBLISHED

• 1:1,000,000 SCALE GEOLOGICAL MAP PUBLISHED
3 GEOPHYSICS SECTION

- 97% OF THE COUNTRY HAS BEEN COVERED BY AIRBORNE MAGNETIC SURVEYS
- COUNTRY WIDE GRAVITY AND RADIOMETRIC MAPS HAVE BEEN PRODUCED
- SEISMIC HAZARD AND SEISMIC EVENTS MAPS OF THE COUNTRY HAVE BEEN PRODUCED
Major cratons and fold belts of central and southern Africa
Distribution of Mineral Deposits and Occurrences in Zambia
Geological setting of gold occurrences
Figure 27 Location of iron and manganese deposits in Zambia
COAL OCCURRENCES IN THE ZAMBEZI VALLEY

Coalfields of the Mid-Zambezi Valley

LEGEND
- Upper Karoo basalt
- Upper Karoo sediments
- Lower Karoo sediments
- Basement
- Open pit
- Fault
Gemmological personnel
Identifying, sorting and valuing gemstones
MicroPro GmbH
Microbiological Laboratories, Gommern, Germany
Concept of the Microbial Prospecting for Oil and Gas
OIL EXPLORATION BLOCKS OF WESTERN, N. WESTERN AND NORTH LUANGWA VALLEY

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MINING SECTOR INCENTIVES

The current fiscal regime for the mining sector became effective on 1\textsuperscript{st} April 2008. The key elements are as follows:

- The corporate tax rate is at 30 percent. It is a strong incentive compared with the 35 percent for the manufacturing sector.
- There is a windfall tax to be triggered at different price levels for different metals. For copper, the windfall tax is 25 percent when copper price ranges from US$2.50 per pound to $3.00 per pound, 50 percent at copper price ranging between $3.00 per pound and $3.50, and 75 percent for prices above US$3.50 per pound. When copper prices are at US $ 1.70 per pound, this tax does not operate.
- There is also a variable profit tax of up to 15 percent on taxable income which is above 8 percent of the gross income. This tax applies when windfall tax has not kicked in;
- Mineral royalty at 3 percent of gross value is charged on all base metals;
MINING SECTOR INCENTIVES

- Duty-free importation of machinery and equipment (including specialised motor vehicles) for use in exploration or mining.
- Import VAT (at 16%) deferment or relief on eligible mining equipment for VAT registered businesses.
- Guaranteed input tax claim for five (5) years on pre-production expenditure for exploration companies in the mining sector.
- Any mining company holding a large scale mining licence that is carrying on the mining of base metals is taxed at 30% compared with the manufacturing sector which is taxed at 35%.
- No tax on dividend which is paid out to shareholders by a mining company holding a large scale mining licence and carrying on the mining of base metals.
- For tax purposes there is 100% mining deduction on capital expenditure on buildings, railway lines, equipment, shaft sinking, or any similar works.
- Debt-equity ratio has been reduced from 2:1 to 3:1.
SOME COMPANIES AFFECTED BY GLOBAL FINANCIAL CRUNCH AND MAY REQUIRE FINANCIAL INPUT

- Bwana Mkubwa Mine is retrenching 300 people due to closure of the leach operations.
- Mopani Copper Mines Plc has suspended all its mining development activities and put on hold the ‘Synclinorium Project’ and the new shaft project which potentially reduces the life of mine.
- Konkola Copper Mines Plc has suspended the Refractory Ore Leach Project and the Nchanga Concentrator Upgrade Project.
- Luanshya Copper Mines Plc had suspended the Muliashi Project where a new open pit was being developed.
- TEAL Exploration and Mining Inc had suspended the Konkola North Project, potentially jeopardizing up to 1,000 new jobs.
- Seringa Mining has suspended all its exploration drilling in the Mkushi Copper Project.
TOURISM IN ZAMBIA