

Myanmar

An overview of the domestic scene

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Introduction

- Myanmar's attendance at the Asia Pacific Precious Metal Conference coincides with the Myanmar Government's aim to engage with the global industry.
- New laws and policies have been implemented to benefit not only the country and its people, but also to encourage foreign investment.
- The primary objective is to create a commercially viable, sustainable and globalized standards for the gold industry in Myanmar.

Geological Characteristics

- Myanmar is a country with geological characteristics that points towards abundance of natural resources.
- Surveys and exploration done in collaboration with many countries, namely Japan, Korea, China and Finland, have shown that Myanmar is fairly rich to very rich in its precious metals and minerals.
- Major primary and placer precious metal deposits have been found running along major fault lines and dormant volcanic formations.

Characteristics of gold deposits

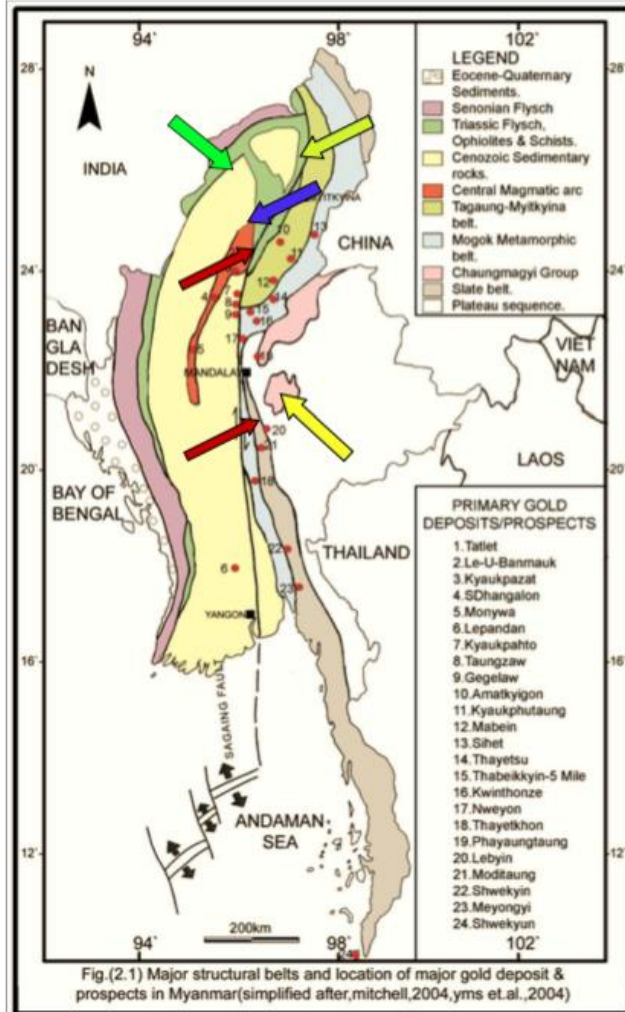


Fig.(2.1) Major structural belts and location of major gold deposit & prospects in Myanmar(simplified after,mitchell,2004,yms et al.,2004)

PRIMARY GOLD DEPOSITS/OCCURRENCES IN MYANMAR

(1) Mesothermal gold-quartz lode, porphyry style Cu-Au & its related Epithermal Au along the central magmatic arc.

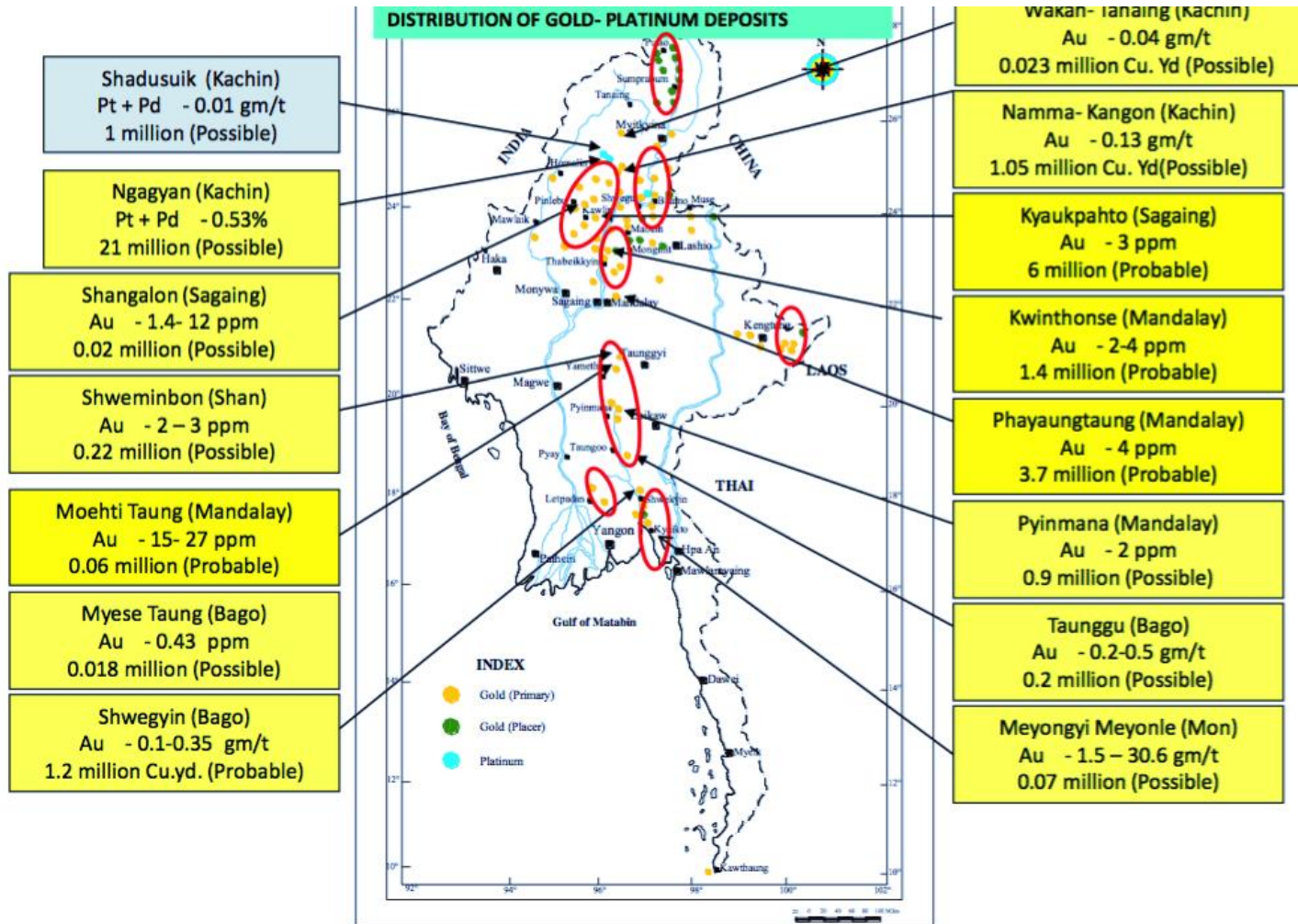
(2) Sediment-hosted epithermal Au mineralization along the Sagaing fault zone.

(3) Mesothermal and epithermal gold mineralization in Tagaung - Myitkyina belt.

(4) Au(Cu) skarn & Mesothermal veins in marble, gneiss and granite within the Mogok metamorphic belt & Jurassic marble of Turbidites.

(5) Slate belt style Mesothermal gold-quartz veins in Chaung Magyi & Mergui Groups.

Deposits and mines (circa 2015)



Over 340++ occurrences of gold found

Prospects

The Myanmar government has mandated the **development, modernization, globalization and standardization** of its gold industry for the following key areas:-

1. Gold Mining.
2. Gold refining & assaying.
3. Value added products, such as Coins, Souvenirs, Jewelry, Religious artifacts, etc.
4. Export & Import of gold.
5. The Central Exchange.

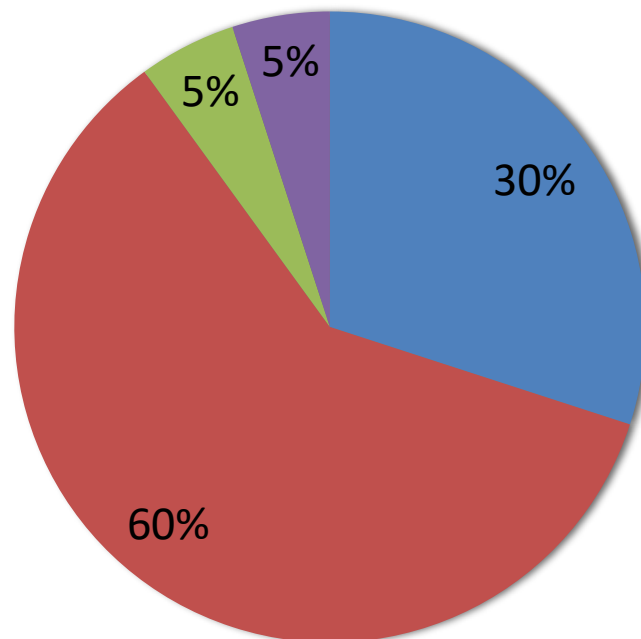
The local market

- Depending on seasons, approximately 200-400Kg gold are produced daily across the country. These values are the sum total of **declared** production.
- Unofficial cross border trade and production is estimate to be much higher.
- Mine gold feed is 30-40% while the rest are from recycled jewelry and other miscellaneous item.
- Firm figures from just two cities, Yangon and Mandalay, shows a daily turnover of US\$ 8 million. Other major cities and townships in Myanmar are not included due to limited records.

The local market (cont'd)

Gold consumption

- Stored savings
- Jewellery and Value Added
- Religious Artifacts
- Misc



Who we need

Being a new market with limited international exposure, we wish to engage and partner with industry leaders in the following areas (but not limited to):-

- Industry standardization according to established codes & practices. (ISO, OHSA, IRMA, Responsible Mining, etc)
- Investors to develop over 400+ small scale mines, e.g. implementation of advance mechanized equipment, mine infrastructure, health & safety aspects, environmental conservation and management, etc.
- Technical and knowledge partnership in Refinery/Assay Lab.
- Development of Value added industry, e.g. jewelry, mint coins, marketing and research, etc.
- Setting up of an exchange, bank systems, financial systems, etc.

What are the benefits?

- Special Economic Zone, with tax exemption for up to 5 years. Specialize projects zones will have a 7 year tax exemption.
- Components **vital** to the industry, will be granted extra benefits in terms of operations and taxes.
- Myanmar Foreign Investment Law (FIL) under the Myanmar Investment Commission (MIC), is designed to ensure the rights and protection of investment.
- Be a market maker for one of the world's newest market.
- The potential to be involve and form a new Bullion Market Association which welcomes Foreign membership.
- The assurance of business prospects.

Summary & Invitation

Therefore in view of our limited experience internationally, the Myanmar Federation of Mining Association, the Myanmar Gold Development Public Company and our sister associations, on the behalf of Myanmar, wishes to invite all in attendance who are interested, to engage with our delegates.

We also warmly welcome you to Myanmar for further bi-lateral and economic discussions.

End

We Thank you for your time!

