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FINANCIAL CENTS AT YOUR FINGERTIPS

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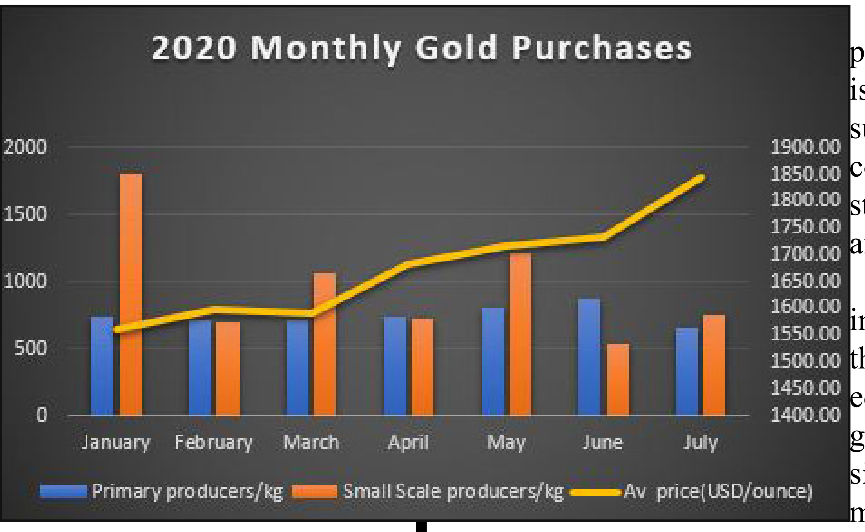
Gold deliveries to July down 20% year on year, July deliveries near flat

HARARE - Gold deliveries to Fidelity Printers and Refinery were near flat in July after an increase in small scale producers' deliveries restricted the decline from primary producers.



According to official statistics gold deliveries were at 1406.37kg, a decline of 0.23% from the 1409.57kg delivered in June. Deliveries from small scale producers increased 38.62% to 747.95kg following a change in the pricing framework in mid-July but were down 59.4% on last year. FPR is now paying small scale miners in US dollars benchmarked against the prevailing LBMA exchange rate as part of efforts to curb the black market for the precious metal.

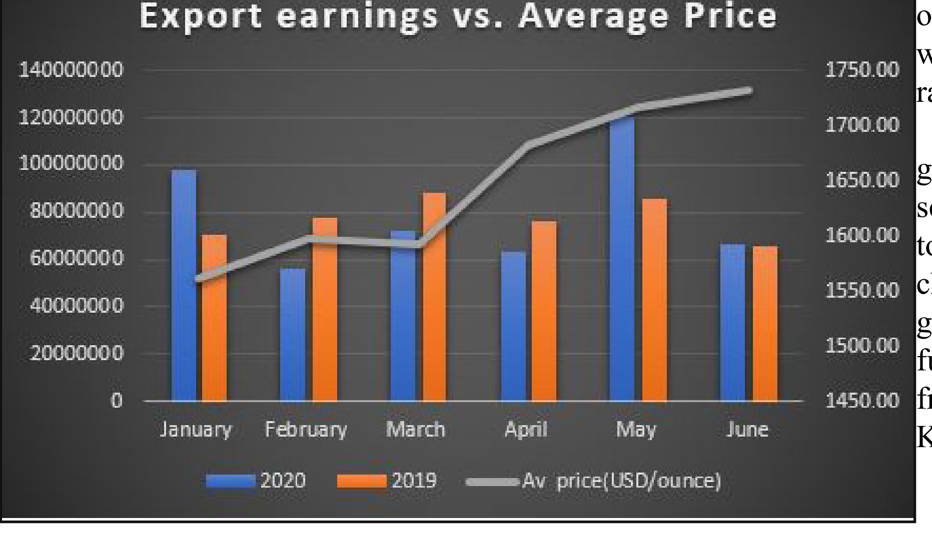
The July deliveries are still much lower when compared to the sector's 2020 peak of 1 813.63kg achieved in January. June remains with the lowest deliveries this year of 539.58kg. Cumulative deliveries from small scale miners for the seven months are now at 6 797.76kg, from 9144.98kg last year, a drop of 25.6%.

Primary producers delivered 658.41kg, a decrease of 24.3% from the 869.99kg achieved in June as massive bottlenecks continue to dominate in the subsector. This is the lowest monthly deliveries to date. Cumulative deliveries are at 5 220.08kg from 5 941kg in the same period last year.

In total, gold deliveries at 12 017.85kg are 20.34% lower than last year's 15 086kg.

The average price per ounce has moved from US$1 560.67 to US$1845.30 in July. Gold prices rallied to above US$2 000 but have since come off to US$1 941.90 (USING TODAY'S PRICES).

Available data on export earnings show that the country earned US$476.2 mln from gold in the six months to June. However due to lower deliveries in June, the country was not able to take advantage of the firming gold prices as shown by the fall in export earnings to US$66.45 mln from US$120.16 mln in June.



The country is targeting to produce 28t of gold this year.

However, challenges remain.

Zimbabwe is in a peculiar position where gold output is on the decline during a su--rge in gold prices amid concerns that the industry is stifled by various bottlenecks affecting production.

There is also need for investment in the sector with the establishment of fully equipped and mechanised gold mines including expansion of operations at existing mines to ensure the country can benefit economically from the rally in gold prices.

Full production within existing mines has proved elusive because of a lack of capitalisation, high cost of inputs particularly power and diesel. Outside of the power problems, the sub-sector needs modest investment in plant while in the long term, it needs a radical rethink on the current mining strategy (which is currently being weighed down by political and criminal risk) and a substantial injection of capital to increase.

Overall, Zimbabwe's gold mining is not quite engineered towards large scale mining mainly because of the politics and the narrow vein greenstone belts which would need extensive capital to expand to support large, world class gold mining operations. Analysts believe that mining the veins is the cheapest form of exploration in Zimbabwe even though the geological potential seems to be there.

Chamber of Mines chief executive Isaac Kwesu said: "This is the time Zimbabwe - like other gold producing countries - should take advantage of the price boom to ramp up output, invest more and unlock value in the gold sector. We have not fully benefited and certainly can miss this golden opportunity if we do not address the production and marketing bottlenecks that are currently inhibiting expansion in output.

"Zimbabwe by now could have doubled export earnings by just maintaining 2018 output levels and possibly trebled or quadrupled the value if we had grown at the same rates of 2017.

"This is the time the government and private sector must put heads together and ensure our challenges undermining growth are addressed to fully exploit and benefit from this price boom," Kwesu said.

Gold heist: FPR, Minerals, Flora/Fauna Unit and CIO officers fingered

Officers connive with small scale miners to under declare total gold output grammage
80% gold sold to black market
Small scale miners shun FPR low payment of $45/gram
Black market buyers paying between $55-$60/gram
Whistle-blowers urge Zacc to conduct lifestyle audit on officers

By Elias Mambo

FIDELITY Printers and Refinery (FPR), Minerals, Flora and Fauna unit and officers from the Central Intelligence Organisation (CIO) have been fingered in a massive gold heist where they are allegedly conniving with small scale miners to under-declare their gold output, the Zim Morning Post can report.

FPR is the country's sole buyer of gold and silver, and its recent statistics show that deliveries have been declining with the January 2020 figures showing a decline of 27,6 tonnes from 33,2 tonnes a year earlier.

According to FPR, small scale min ers produced the bulk of the metal, accounting for about 63% of output or 17,4 tonnes against big producers, which delivered 10,1 tonnes.
Investigations carried out by this publication revealed that FPR launched a gold mobilisation exercise on 16 December 2019 which ran up to the end of May 2020.

The mandate of the mobilisation team was to enforce compliance on the small scale miners so that they declare their gold output, mobilise so that miners sell their gold to FPR as well as to make sure that all necessary paperwork is followed to the letter.
"The officers comprised of a team of six officers and each province had one team. It means there were 10 teams throughout the country. Government had to hire vehicles so that they can use during the operation," said the source.

"Instead of carrying out their duty, the officers began to connive with the miners and corruptly charged them so that they under declare the gold outputs.

"Suppose a mine produced one kilogram a month, the officers would be paid so that the miners can declare far less than was produced and the rest of the gold would be sold to the black market," the source said.

"FPR pays US$45 per gram of gold with a quality of 90% and if the quality is low then the price goes down to around US$40. The black market pays US$55 from a quality of 70% and the price increases as the quality increases.
"FPR takes four to six weeks to pay the miners while it is cash and carry for the black market buyers.

"This is why miners are shunning FPR and would rather bribe the officers so that the gold is not sold via formal processes."

At one of the mines visited by the Zim Morning Post crew undercover,only 200 grams were declared on the material daywhen the mine had produced 800 grams of gold.

This meant the mine was paid US$9000 by FPR while the remaining 600 grams fetched US$33 000 from the black market.

If money paid to officers is factored in, the miner still made a huge profit while government was being prejudiced.
This investigation comes at a time when the United Nations has reported that Zimbabwe's gold exports to the United Arab Emirates shot up by 71,9% in 2018 alone.
The UN report revealed that the UAE is now the biggest importer of Zimbabwe's gold.

According to this report in 2014 UAE imported 0,94%, 2015 (1,75%), 2016 (5,29%), 2017 (25,51%) and in 2018 the imports shot to 71,94% (US$821 million which is close to ZWL$1,4 billion).

However, a recent Reuters analysis report shows that billions of dollars' worth of gold is being smuggled out of Africa every year through the United Arab Emirates in the Middle East- a gateway to markets in Europe, The US and beyond.

According to the report the UAE imported $15,1 billion worth of gold from Africa in 2016, more than any other country and up from $1,3 billion in 2006. The total weight was 446 tonnes, in varying degrees of purity- up from 67 tonnes in 2006.

The report states that much of the gold was not recorded in the exports of Africa states with Zimbabwe included.

FPR acknowledged that there were murmurs of massive gold leakages, but no official complaint has been brought to them.

"We have heard reports of gold being sold to the parallel market for a long time now and we have been trying to curb this malpractisce together with other relevant authorities to no avail.

"To date we have not received any re ports from the miners or from the Police about some of our staff getting kickbacks in the field. As Fidelity Printers and Refiners we do not tolerate such and if you could avail us with more information, we will certainly look into that," said the company's general manager Fradreck Kunaka.

Information from Fidelity Printers Meanwhile, the development is tantamount to economic sabotage at a time when government introduced "use it or lose it" regulations, where mining title holders are expected to declare produce in sync with the potential of the title. Government expects to produce over four tonnes per year by 2023, a projection which is being scuttled by economic saboteurs working in cahoots with top authorities in the industry.

VP Mohadi sucked in small scale miners, EPOs conflict

SMALL SCALE miners are on collision course with the Mines ministry over the introduction of Exclusive Prospecting Orders (EPOs), arguing that co-existence with them has failed to be a reality on the ground.

They lamented over the monopoly of the EPOs by some bigwigs and our trusted source implicated Vice President Kembo Mohadi and top lawyer Edwin Isaac Manikai.

EPO is a large area of ground targeting the selected minerals for exploration.

EPOs are used by companies as first pass exploration areas.

This means that companies after doing the highly technical exploration studies will eventually drop most of the EPO ground in three years

In an interview with this publication, a source who spoke on condition of anonymity said the bigwigs holding EPOs use them as Launchpad to monopolize mineral exploration areas.

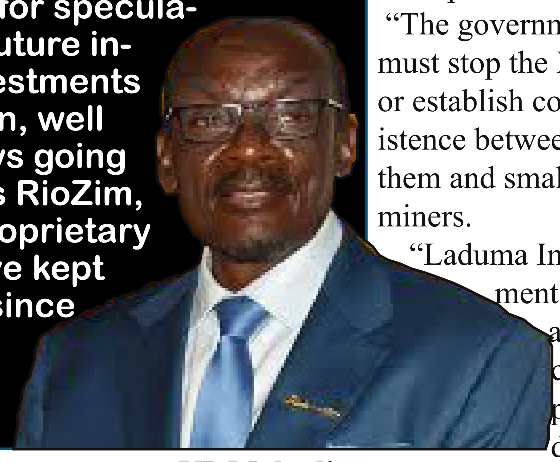
They conduct mining activities under the guise of exploration and go beyond the stipulated three years duration.

"It is shocking that there is no local person in Matabeleland South who is an EPO holder. It is a disadvantage to local people who own the land," he said.

"Manikai has gold claims that cover Fort Rixon to Gwanda while Kembo Mohadi has a coal claim in Matabeleland South," added the source.

Investigations established that Manikai holds an EPO that covers approximately 151,4 kilometers, yet he is not a local person.

"EPOs are being held for speculation and or conditional future investment and of the investments to be made in exploration, well we all know that is always going to be private data just as RioZim, De Beers, Broken Hill Proprietary (BHP) among others have kept geological data hidden since 1965, these new EPOs will privatise the data," he said



VP Mohadi

"The government must stop the EPOs or establish co-existence between them and small scale miners.

"Laduma Investments is also another company disadvantaging small scale miners in Mat South," he added.

The source also said Zimbabwe Lithium Company (LTD) has the biggest EPO in Mat North.

Chief Mabhikwa of Lupane in Mat North said he is not aware of any EPO in his province- a which is a clear indication that chiefs were not consulted when their places were put on exploration.

"I'm not aware of members or companies participating in mining or exploration in my area and I don't even know what an EPO is," he said.

In another interview with this publication, a small scale miner Rawlings Mlambo said EPOs are derailing productivity through blocking them from pegging mines.

"EPOs have completely blocked us here in Matebeleland South and all over the country from pegging mines and this is affecting production in the country," he said.

Mlambo said bigwigs were behind the EPOs through proxies.

He implicated one Nicolas Ncube of Laduma Investments

- one of the companies blocking small scale miners in Mat South.

"The government must stop the EPOs or establish co-existence between them and artisan miners. Laduma Investments is one of the examples of companies blocking miners here in Mat South," he said.

Zimbabwe Miners Federation spokesperson Dosman Mangisi said one of the reasons for objecting to the EPOs applications was that some of the applications covered residential areas.

EPOs are used by companies as first pass exploration areas and they last for three years.

This means that companies after doing the highly technical exploration studies will eventually drop most of the EPO ground in 3 years.

Usually, companies will in most cases eventually remain with less than 1000 hectares for mining operations that is if they find an economic mineral deposit in the EPO.

Another small scale who preferred anonymity said they are afraid that the EPOs are constantly turning Zimbabwe into a capitalist state.

"I advise fellow countrymen not to go to the moon about this for that is what you call capitalism. The people with capital get what they want and sway government, but we don't give up the fight.

"Those EPOs are against miners and every ordinary Zimbabwean who is interested to venture into mining."

"As long as Zimbabwe's perceived country risk is still up there, EPOs will never translate to any meaningful capital investment," he said.

Small scale miners are afraid that the companies holding EPOs might end up privatising data.

Zimbabwe plans to grow mineral revenue from a projected USD4,2 billion this year to USD12 billion by 2023.

Parliamentarians concerned over looting of diamonds

By Clayton Masekesa

MUTARE – Zimbabwe Parliamentarians have said the dissolution of the Zimbabwe Consolidated Diamond Company (ZCDC)board early this year by the Ministry of Mines is a cover up of 'dark secrets' in the diamond fields in order to maintain individuals' selfish interests.

This came out during a workshop for the Portfolio Committee on Mines and Mining Development on the Review of Legislation and Policies Governing the Mining Industry in Zimbabwe held in Mutare recently

Bindura South Member of Parliament Remigious Matangira said there was something 'improper' over the dissolution of the ZCDC board chaired by Killian Ukama.

"We heard that the ZCDC board was dissolved by the Ministry (Mines) and we were never told of the reason why. We know that a lot is happening in the diamonds sector," said Matangira.

"As members of the portfolio committee, we want to know why the board

was dissolved. Another thing for us to know is was the board dissolved or fired? Is there anything that is being hidden from us?" Matangira said.

Mutasa Central legislator Trevor Saruwaka also added saying it was sad that the issues at Chiadzwa have been secretive.

"We really do not know what is actually happening in Chiadzwa. We do not know how much are we getting fromChaidzwa and it is not a secret that the people of Manicaland have not yet meaningfully benefited from their resources. What is actually going on there," said Saruwaka.

"We are yet to see how the diamonds are being accounted for and this is a very thorny issue that should be looked at as a house," Chikwinya said.

Settlement Chikwinya the Mbizo Member of Parliament said there was need for accountability and openness in the mining of diamonds.

The Deputy Minister of Mines Polite Kambamura responded by saying: "The issue of the ZCDC board was above board. The matter is that the members of the board resigned. Some resigned in their personal capacities, while others with reasons which we cannot disclose here."

He added: "So we had to appoint a new board."

Parliamentarians said they were concerned on media reports that said the board was dissolved after it refused to implement decisions from the Ministry of Mines that was smuggling secret mining companies to mine diamonds at Chiadzwa mine, siphoning billions of dollars in the process.

An emotionally charged Chief Benard Marange said he was angered by the way the diamonds are being looted.

"I do not know what is going on. I see airplanes hovering in the skies at the diamond fields and we begin to wonder what is going on. Where are our diamonds going to? As for myself, I do not have answers as to where the diamonds are going," he said.

The Speaker of Parliament, Jacob Mudenda said it was imperative for Parliament to put in place robust legislative frameworks which comply with the African Mining Vision (AMV) and other regional and international extractive legal and policy frameworks for the country to fully benefit from its minerals.

The Minister of Finance Mthuli Ncube announced in the 2020 National Budget Statement that the country was ready to join the Extractive Industries Transparency Initiative (EITI) "as a way for enhancing transparency and curbing any corruption activities in the sector that may deter investment."

it is believed that thousands of carats of diamonds worth billions of dollars are being smuggled out of Zimbabwe from Chiadzwa diamond fields on private jets and feeding the thriving international black market through sophisticated syndicates involving Ministry of Mines top officials, ZCDC senior employees, state security agents, Zanu PF politicians and wealthy buyers.

Caledonia Mining eyeing VFEX listing: Official

HARARE – Caledonia Mining Corporation, which operates Blanket Mine in Gwanda, Matabeleland South, is open to the idea of listing on the Victoria Falls Stock Exchange with the miner indicating that the flexible foreign exchange controls would make the bourse attractive to investors.

This confirms an earlier report on this service done in early May that the Zimbabwe Stock Exchange was in talks with a gold miner, which has a primary listing outside Africa.

Caledonia is listed on the New York Stock Exchange but recently delisted from the Toronto Stock Exchange citing limited trading volumes, which did not justify the expense and administrative complexity of maintaining the listing. Caledonia's primary market for its shares in terms of liquidity has, for some time now, been NYSE American. Its market cap on the NYSE is US$286.76mln. The miner was one of the first foreign companies to comply with Zimbabwe's former indigenisation law, which would have– had the amendments to the Mines and Minerals Act been carried at that particular time – included a compulsory Zimbabwe Stock Exchange listing.

Zimbabwe will open a stock exchange in the resort town of Victoria Falls which will be denominated in foreign currency and aimed at foreign investors and global capital, especially the mining sector. According to the Finance Minister setting up the VFEX will take up to a month and will need parliamentary as well as exchange control approvals.

The VFEX was mooted by the ZSE as part of its five year strategy to 2024. It seeks to assist companies raise hard currency for growth and to attract foreign investment.

Caledonia Mining director Mark Learmonth told FinX

that the mining giant had had engagements with Zimbabwean authorities to understand more of the new initiative calling it a good idea by government.

"Yes, we are looking at listing at the new stock exchange. ...We are willing to do that. We had a conversation with the chief executive officer (of the ZSE) about two weeks ago and it seems like a good idea. We only need to know about it but let me make it quite clear, we would like to list in Zimbabwe.

"One of the advantages is that (the VFEX) will have exchange control flexibility and it's a welcome development. It is reasonably flexible, and the prospects of listing are very high," he said.

In his 2020 budget review statement recently, Minister Ncube announced incentives aimed at attracting offshore capital on the VFEX including exception from certain taxes such as capital gains and withholding tax on disposal of shares as well as corporate income tax.

The VFEX will be operated from the central business district of the resort town, and would seek to partner any exchanges or international investment banks and the exchange will be similar to offshore financial centres in Africa such as one in Mauritius, and globally, centres such as those found in Ireland, the Caribbean, Luxembourg, Singapore, Hong Kong and the Netherlands.

Ncube said that VFEX would seek partnerships with other global exchanges supporting reports that the local exchange was actively discussing with three exchanges: London Stock Exchange, JSE and Dubai's DFM.

This comes as most investors have adopted a wait and see stance on the VFEX following events which culminated in the suspension of the ZSE with South African fund manager Allan Gray saying that "having an exchange denominated in foreign currency and allowing the free flow of capital would be positive, but based on past experience we need to first see whether it actually transpires and in what form."

The ZSE will open in two weeks after the conclusion of investigations as highlighted in a report run by FinX last Friday.Caledonia was, in 2012, the first mining company to indigenize donating a 10% stake to the Gwanda Community Share Ownership Trust while selling the remaining shares to the National Indigenisation and Economic Empowerment Fund (16%), a trust for the management and employees (10%) and Fremiro Investments (15%) for a total of $30m.

In its latest performance update, Blanket Mine produced 27,732 ounces of gold in the first half, which was approximately 12.5% above the 24,660 ounces produced in the first half of 2019. The miner maintains its 2020 full year production guidance of 53,000 to 56,000 ounces and remains on track with progress towards its target of 80,000 ounces by 2022.

Abutua and the Cam & Motor Mine

RioZim's Cam & Motor tribute, is historically Zimbabwe's richest gold mine with 4.5 mln ounces (140 tonnes) of gold extracted during its modern life up to 1968. But RioZim was not the first, and certainly won't be the last to mine the one time Kingdom of Abutua, known to the Portuguese as the Mãe d'ouro or Mother of Gold.

Come again, Abutua?

Or Butua, the correct term for the Midlands province. Abutua was the name of the goldfields around modern day Kadoma and Kwekwe, home of Zimbabwe's second richest gold mine, the Globe & Phoenix, which has produced over 120 tonnes of gold. The first report of the area was from Antonio Fernandes, who travelled through Zimbabwe in 1511 (there will be an In Depth Briefing on Fernandes in January next year to mark the 500th anniversary of his remarkable travels), which reached Portugal in 1516. The King of Butua "has much gold. This is extracted alongside the rivers of fresh water", he told the scribe at Sofala, Gaspar Veloso. Writing a century later, the Padre António Gomes said: "Blacks from Abatua bring alot of gold in thick pieces weighing about three or four patacas being the best carats in all these lands".

So what did the Portuguese do about it?

Initially they traded beads and cloth for the gold from their bases at Sofala, just south of Beira, and from Mozambique Island in the north. However, the supply of gold was disrupted soon after establishing forts at these two locations, partly as a result of interchieftain wars inland, but also because they had to compete against the Moors (Muslims) for the gold on offer. A military expedition to conquer the Monomotapa was launched in 1569 and finally abandoned in 1575. Five years later Portugal was annexed by Spain, and the approach turned to the establishment fairs (feira) in Mashonaland in the late 16th Century until their expulsion by the Rozvi in 1693. In fact, the Portuguese referred to most of modern Zimbabwe as Rios, short for Rios d'oure (Rivers of Gold).

Fairs?

They were in fact small gold trading posts, which usually had a few Portuguese families operating under a capitão (Captain). It was easy to collect the gold in one place, and the reigning Monomotapa could also keep an eye on them, ensuring they paid their curva (tribute). The biggest of all the feira was Dambarare, near what is the Jumbo mine at Mazowe. In Abutua, they established Maramuca, which refers to "Rimuka" being the lands between the Mupfure and Umsweswe rivers, which is exactly where the fair was located. Some may know that name of the largest township in Kadoma is still called Rimuka today. In February 1965, a 1947 mining report was found in the Kadoma Mining Commissioner's office and described a "Portuguese fort near the Suri Suri river in the Golden Valley-Chakari districts. The archaeologist Peter Garlake excavated the site shortly afterwards and declared it to be Maramuca. Consideration should also be given to popularisation of the folk song Maramuca, by Thomas Mapfumo with the continuous refrain "I'm going to collect my father's wealth in Maramuca."

An 18th Century French map of

Monomotapa and neighbouring states from the 25-volume Historie Générale des Voyages atlas drawn up by Jaques Nicholas Bellin (1703-1772), the French Royal Hydrographer, illustrating the travels of Antonio Francois Prévost d'Exiles from 1738-1775. Note Abutua is shown on the extreme left on the other side of the Zambezi, which is shown with its other name that was in use until the 18th Century, the Cuama. The name Tete is apparent, it shows the Mazoe (Mazeno) flowing from burro mines d'Or (great gold mines), and towns in Mashonaland included Luane (Luanze), Bueto (Bocuto), the Monomotapa's capital and "Zimbaoe" in Quiteve. (JRW Private Collection)

When was Maramuca established then?

The exact date is not known, but it rose to prominence during the reign of the Mutapa Mavura, the Portuguese puppet who ruled from 1629 to 1652. The story is really too long to tell here, but two descent lines had claimed legitimate right to the throne after the death of Gatsi Rusere in 1623. After having defeated the forces led by Kapararidze (also known as Caprasine) in 1629, the Dominicans put Mavura on the throne (after baptising him and having him sign a treaty of vassalage to the Portuguese Crown). The Karanga broadly did not accept Mavura and many fled to join Kapararidze, who had taken refuge across the Zambezi with the Maravi (how Malawi gets it name). It is only after Diogo de Sousa de Meneses marched to the Zimbabwe highveld in 1632 with an army of 2 000 and utterly destroyed Kapararidze's forces that the Portuguese period of dominance on the highveld started.

Give us a paragraph on the economics pre-Mavura?

Until Mavura was forced to sign the humiliating treaty of vassalage in 1629, the Monomotapas had retained wide economic control over their territory. The Portuguese had had jurisdiction within their own fairs, and then only in the name of the chief; they were not free to travel or trade at will, and paid taxes to the Monomotapa. The chief controlled gold production, taxing output and determining which mines were to be worked. He also enjoyed the profits of justice and received a handsome annual present from the Portuguese to oil the wheels of commerce. The chief was able to dispense patronage, providing his followers with prestige imports, wives and land and so maintained the reciprocal relationships on which chieftancy depended.

And during Mavura's reign?

After 1629, the Portuguese travelled about the Rivers and traded at will; they usurped lands, seized women to reward their Tonga followers and forcibly recruited labour. They opened their own gold diggings and the number of fortified feira and mining camps multiplied, many being privately owned. Towards the middle of the century, they had acquired detailed knowledge of the gold reefs. They knew that gold was painfully extracted from small diggings and no longer expected to find gold mines that could be exploited on a large scale ... the myth of the Eldorado. As the century progressed the gold mining and trading frontier moved south west and Portuguese sertanejos (backwoodsmen/mercenaries ... although commodity traders would not be a bad description of them today) began trading for gold in Maramuca. As the historian Prof Malyn Newitt notes: "The Portuguese were also following the population, for it seems that many Karanga abandoned the northern areas controlled by the Portuguese to avoid their lawless exactions. As the population moved south, the Portuguese followed.

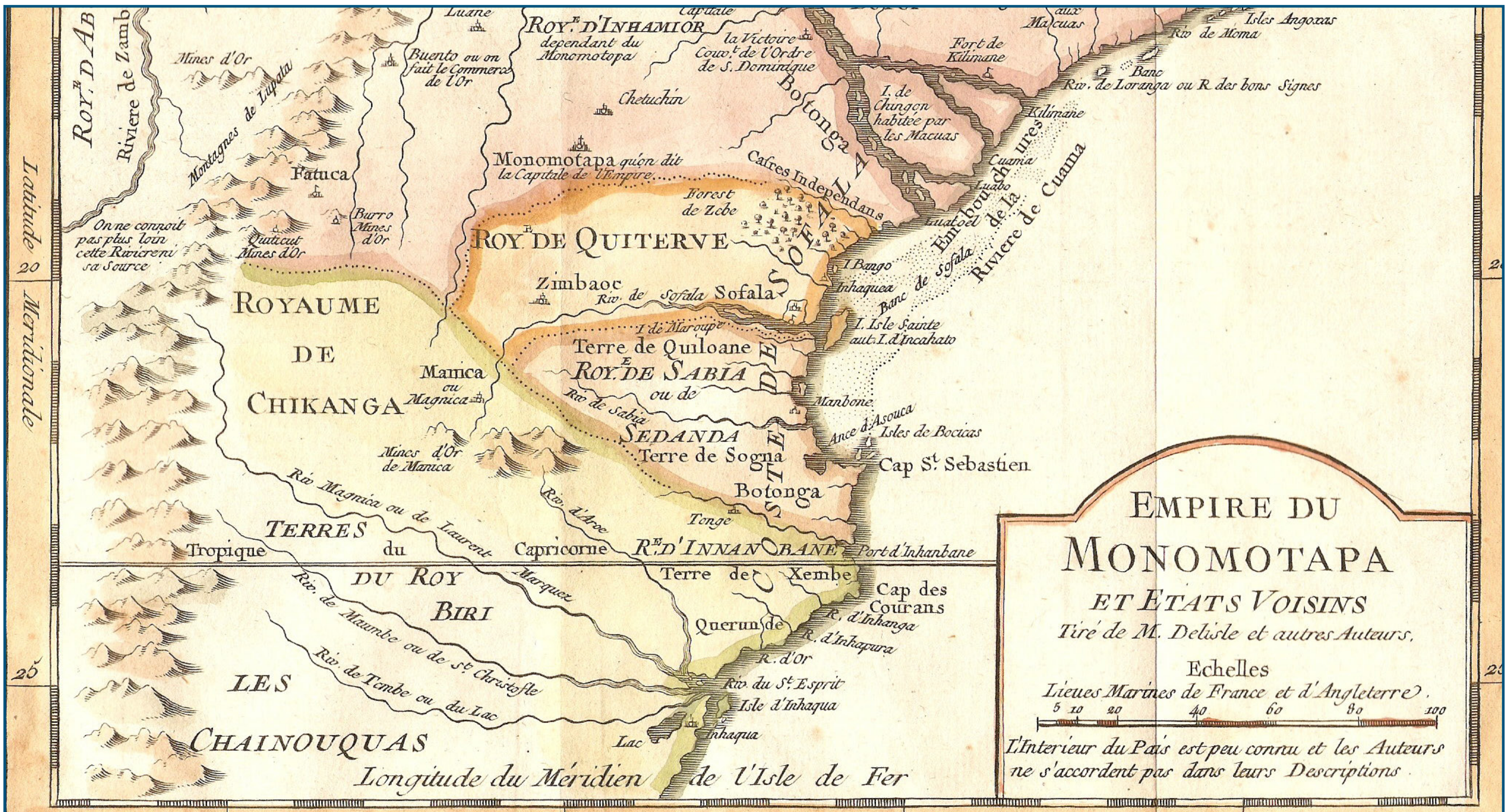
> **Mavura protested to the Portuguese Viceroy that: "they, the Portuguese, do great harm to the people, killing some, wounding others, stealing sons and daughters and cows of their herds so that each day I have complaints in this my Zimbabwe".**

This must have enriched the Portuguese state?

Not really. Most gold went East to buy spices, which went then West to Europe. Operating conditions were extremely hard given disease and hostile tribes. The era of the Portuguese in Mashonaland was drawing to a close when the Jesuit Manoel Barreto visited in 1667. He still reported the richest gold-producing lands were those around Maramuca, adding its Tonga inhabitants were so courageous that they killed lions and leopards with knobkerries. They also extracted only enough gold for their own immediate needs so as to not to "excite the cupidity of the Portuguese". But the Portuguese chronicler António da Conceição lamented that very little of this gold ever went to Portugal and only served to enrich India. The gold was mined in Africa, only to be transported to India where it was reburied – a reference to the Hindu custom of cremating the dead with their jewellery. In 1897, Telford Edwards estimated that there were about 75 000 ancient workings in Zimbabwe and projected that around 20 mln ounces (675 tonnes of gold) was mined during the period before 1890, with miners unable to go much deeper than 30 metres before they encountered the water table.

Maramuca sounds rather like the wild West?

Certainly. No one was really in charge and in the early 1640s (after Portugal secured its independence from Spain) there was a major Portuguese incursion into Butua. As was so often the case, a succession dispute had led to one of the claimants coming to Manica to seek Portuguese aid. In Manica at the time was Sisando Dias Bayão, the most powerful setanejo of the day. Obviously figuring on a commercial gain, he led a force of musketeers to the region and placed his protege on the throne, building a fort and leaving a garrison. Bayão was never to enjoy the fruits of



his fiefdom after he was poisoned by jealous rivals at Luanze (near Kotwa) in 1644. Within a decade Gonçalo João seized control of the region, but then lost out in the bitter in feuds that were weakening the community.

So the end for the Portuguese was night?

Yes, but it took another 50 years of Portuguese meddling in the internal affairs of the Monomotapa's state. In 1645, The Portuguese were oblivious to this and it was to be there undoing. Unknowingly they had alienated the sub-chiefs and spirit mediums, whose power was so important. The mhondoros had taken umbrage to their interference in succession disputes, their practice of forcing the Monomotapas to be baptised and pushing their children to be educated by the Portuguese. In 1693, with the Portuguese considering installing Nhenheenze, who had been educated in Tete by a Augustinian friar, Monomotapa Nyamaende Mhande (also known as Nhacumimbiri) enlisted the help of the Rozvi in the south led by Changamire Dombo.

What happened at Maramuca?

By this time, the centre of gold mining had already moved to "Quitambororozi", which is an obvious reference to (Chito) Murombedzi in Zvimba and no mention is made of Maramuca again. Conceição described Quitambororozi as the place "from where in all those past years came the greatest quantity of gold beacuse the said place is so rich in it that anywhere you dig you find it". Conceição said the feira was not far from the headwaters of the Angwa, where Golden Kopje mine – also in the news last week – is located. The Canarins (early Goans) ran this feira, which was said to be 3 days journey from Dambarare, the place Dombo chose to attack in November 1693 with complete surprise. The residents of Dambarare and many visiting traders were unable to gain the security of the fort, which was without garrison anyway. Some collected at the house of the most powerful resident. But all were killed, Portuguese and Indian alike.

And then?

The Rozvi went to church where they disinterred the bones of the dead, and according to Conceição produced a powerful medicine to make them invincible to the Portuguese. They flayed two Dominican friars alive, along with other Portuguese, and displayed the skins at the head of the army as proof of Changamire's power, and further terrorised the Tonga followers of the Portuguese. The Indians at Quitambororozi and Portuguese at the forts further down the Angwa fled down the Zambezi escarpment to the Monomotapa's dzimbabwe near Mahowe. On hearing the news, Pires Saro, the capitão in the Monomotapa's fort, considered killing Nyamaende Mhande, but he was surrounded by too larger bodyguard and the Portuguese opted to fall back to Tete and Sena where their arrival caused great consternation.

Hasta la vista?

No chance. For the entire 18th Century (1700s), the Rozvi banned foreigners from the geographical space that is Zimbabwe today. After mfecane and the resultant Nguni migrations from SA, Zwangendaba smashed the power base of the Rozvi in the mid-1830s, and hunters started to drift into the country again. Henry Hartley, on returning to the Transvaal in 1865, reported having seen ancient workings through much of the country. The German geologist Karl Mauch, who brought knowledge of Great Zimbabwe to the wider world, was in a follow up expedition in 1866-1867 and confirmed the presence of gold. The expectations of a second Witwatersrand spurred on the imperialist ambitions of Cecil Rhodes, who with a Royal Charter, and the Rudd Concession paving the way for mineral exploitation, sent a party of 300 troops northwards to exploit the goldfields of Mashonaland in 1890.

Another map by Bellin from Historie Générale des Voyages showing Abutua from the West. This time it appears tied in with "Toroa", or the Torwa dynasty, which ruled at Khami near Bulawayo in 16th Century, before being usurped by the Rozvi. It claims the region was rich in "argent" (silver), which was entirely erroneous. Indeed the Monomotapa misled the Portuguese for many years over the presence of silver, which they alleged was to be found at Chikova, now submerged under Cahora Bassa. The map again shows Tete, and Bukuto (Bocuto), one of the 3 major feira in Mashonaland before 1632, is shown between tributaries of a unnamed river that would appear to be the Mazoe. (JRW Private Collection)

So what happened when Rhodes & co turned up?

Among the first to peg the ancient workings around Kadoma were Rhodes' right hand man, Dr Leander Starr Jameson, and the settlers' guide, the hunter, Frederick Courtney Selous. Jameson came to the early conclusion (February 1891 when his claims lapsed) that gold prospecting was a sheer waste of his talents and moved onto more profitably ventures. Selous hardly did any better, selling his Good Shepherd claims 16 years later for a paltry £135. Lord Raldolph Churchill went through the area in 1891 and was not too complimentary ("the district is infested by the tsetse fly"), and he pronounced: "But the truth has to be told. Mashonaland, so far as is at the present known, is neither an Arcadia nor an El Dorado ... Mr A Beit with his party returned from their examination of the much talked about 'Eiffel' district much disappointed".

Don't go by first appearances then?

What was to become the Cam & Motor Mine was a block of land 5km by 5km, which was surveyed by the chief mining and railway engineer, George Pauling, on Rhodes' instructions. Legislation was such that companies had to pay the BSA Company a 50% tribute. The BSA Company also had significant stakes in all mining companies (since it owned the mining rights, and only sold them to the Southern Rhodesian government in 1933) and before 1903, individuals were not allowed to exploit gold reefs for personal gain; even after 1903 the BSA Co had the right to hold up to 30% of each registered mining claim. After the country had been opened up for the small worker, several sought to peg claims on the Flats field. Among them were Jack Cameron and Arthur Campion, who in partnership pegged several blocks. The Cam came from the first three letters of each name, and this initiated the naming of the other claims based on relevant parts of an internal combustion engine.

So when did Rio get involved?

Not until 1960 when the mine was nearing the end of its life. Ownership changed several times after Cameron and Campion went their separate ways. In 1909, Lonrho with Julius Weil as chairman, secured an option on the most valuable Flats claims and in September 1910, the Cam & Motor Mining Company was registered and floated on the London market. Knowing its reserves were soon to be exhausted, shareholders were surprised in the late 1950s to learn Rio was interested in acquiring the mine. However, Rio's interest in "the Cam" extended far wider than the mine itself. Since 1954, when Rio Tinto mines in Spain had been nationalised, it had been exploring in central and southern Africa where it had operated under the name of "Mineral Search Africa" and acquired and evaluated ore bodies that included Empress, Sandawana and Palaborwa in the Eastern Transvaal. The company required a home base and some experienced mine staff. Thus "the Cam" became the home headquarters for such mines as Pickstone, Patchway, Brompton, Empress and Perseverance. It was closed in 1968 when the mine reached a depth of 1 800 metres.

Metals showing signs of recovery, says S&P Global Market

JOHANNESBURG (miningweekly.com) – It has been a volatile time for the metals market, as a result of the dire state of the global economy amid the Covid-19 pandemic; however, the performance of metals in the second quarter points to signs of some recovery, speakers indicated during S&P Global Market Intelligence's state of the market webinar, held on August 13.

S&P Global Market Intelligence senior analyst Gregory Rodwell said gold and silver prices had been boosted by global geopolitical uncertainty and low interest rates.

Owing to the second wave of Covid-19 in the US Sunshine Belt and amid fears of a weaker-than-expected recovery, there was renewed buying of US treasuries.

Gold, perceived as a safe haven, tends to move in the opposite direction. This was seen in July, when gold reached all-time highs.

Silver had benefitted from the overspills, noted Rodwell, with its price having risen from historic lows – along with platinum.

However, he indicated that, despite this rise in silver prices, it still continued to play catch-up with gold, with the gold to silver price ratio still at the same level as in 2017.

Industrial commodities, meanwhile, were rebounding strongly, driven by Chinese recovery, noted Rodwell. The country has managed to get the virus under control and, with the economy restarting, demand for these metals has been rising.

S&P expects the average nickel London Metal Exchange price to fall by 7% year-on-year to $12 990/t this year, owing to the global primary market moving to a 100 000 t surplus during the year from a 33 000 t deficit in 2019 on the pandemic.

However, the surplus is expected to shrink and prices are expected to reach $16 000/t as battery sector demand increases.

Rodwell indicated that there had been an increased demand for zinc in China, which had caused the price to rise.

The new Chinese stimulus, announced in May, dragged zinc prices to a quarter high. S&P expects the second quarter to be the lowest average quarterly price of this year as more countries begin to lift lockdown restrictions.

Despite increased demand from China, a market surplus for zinc was still expected in both 2020 and 2021, said Rodwell.

Copper prices are continuing a strong bounce-back on the back of the Chinese economy restarting.

Chinese refined copper and copper concentrate had increased by 11% year-on-year respectively during January to May, noted Rodwell.

In terms of iron-ore, a resurgence in Chinese demand and supply tightness from Brazil led to a strong rally in the second quarter's prices.

Meanwhile, weak demand continues to push the lithium price lower.

S&P Metals & Mining research head Matthew Piggott noted that, excluding debt, capital raising for projects was up 46% year-on-year in the second quarter.

The majority of the funds raised were for projects in the Americas; with a two-year high in capital raised for Canadian projects.

He also noted that mining deal activity and value had increased in the second quarter compared with the first, with buyers undeterred by the pandemic. The quarter saw the highest number of deals since the third quarter of 2018. - Creamer Mining Media

Global standard on waste dams released in response to multiple mining disasters

In response to multiple high-fatality mining sector accidents, a highly anticipated global standard on managing tailings was released Aug. 5 with the ambition of future dams causing "zero harm to people and the environment with zero tolerance for human fatality."

Tailings dams are engineered, earthen structures for containing mining waste and are located around the world. The Global Tailings Review standard project is an effort of the United Nations Environment Programme, Principles for Responsible Investment and the International Council on Mining and Metals. The 21-page standard covers the lifecycle of tailings facilities from site selection to eventual closure.

The new standard was prompted by the January 2019 dam collapse that occurred at Vale SA's Corrego do Feijao iron ore mine in Brumadinho, Brazil, killing 270 people.

An internal investigation confirmed the dam owners were aware of safety concerns ahead of the collapse but took only "limited and unsuccessful" steps to remediate the dam and improve safety. Multiple people, including former Vale CEO Fabio Schvartsman, were charged with homicide over the breach. Vale has since announced multiple reparative and preventative measures in response to the disaster.

"The catastrophic dam collapse at Vale's Córrego de Feijão mine in Brumadinho was a human and environmental tragedy that demanded decisive and appropriate action to enhance the safety and strengthen the governance of tailings facilities across the globe," Bruno Oberle, chair of Global Tailings Review, said in a news release about the standard.

The Feijao disaster followed the November 2015 tailings dam collapse at Samarco, an iron ore joint venture between Vale and BHP Group, which resulted in the death of 19 people.

A 2019 survey conducted by investors led by the Church of England Pensions Board and the Swedish AP Funds Council of Ethics found that 166 of 1,635 tailing dams have reported stability issues at some point in their history, although the severity of the concerns was not apparent.

Principles of the global industry standard on tailings management

Global Tailings Review, an international multi-stakeholder group, convened in March 2019 to create a standard for managing mine tailings dams. On Aug. 5, 2020, the group released the new standard, which is based on 15 principles.

1. Respect the rights of project-affected people and meaningfully engage them at all phases of the tailings facility lifecycle, including closure.
2. Develop and maintain an interdisciplinary knowledge base to support safe tailings management throughout the tailings facility lifecycle, including closure.
3. Use all elements of the knowledge base — social, environmental, local economic and technical — to inform decisions throughout the tailings facility lifecycle, including closure.
4. Develop plans and design criteria for the tailings facility to minimize risk for all phases of its lifecycle, including closure and post-closure.
5. Develop a robust design that integrates the knowledge base and minimizes the risk of failure to people and the environment for all phases of the tailings facility lifecycle, including closure and post-closure.
6. Plan, build and operate the tailings facility to manage risk at all phases of the tailings facility lifecycle, including closure and post-closure.
7. Design, implement and operate monitoring systems to manage risk at all phases of the facility lifecycle, including closure.
8. Establish policies, systems and accountabilities to support the safety and integrity of the tailings facility.
9. Appoint and empower an engineer of record.
10. Establish and implement levels of review as part of a strong quality and risk management system for all phases of the tailings facility lifecycle, including closure.
11. Develop an organizational culture that promotes learning, communication and early problem recognition.
12. Establish a process for reporting and addressing concerns and implement whistleblower protections.
13. Prepare for emergency response to tailings facility failures.
14. Prepare for long-term recovery in the event of catastrophic failure.
15. Publicly disclose and provide access to information about the tailings facility to support public accountability.