

## **Coal mining project gets govt nod** [source; “The Steel Makers”, in-house newsletter]

The government of Zimbabwe finally approved the Special Grant for Steelmakers to mine coal in Chiredzi in terms of Section 301 of the Mines and Minerals Act (Chapter 21:05).

In a statement published in the Government Gazette it was noted, “It is hereby notified that the Minister of Mines and Mining Development with the authorisation of the President has ... issued Special Grant No. 4417 to Steelmakers (Zimbabwe) (Private) Limited ...”

This makes the Chiredzi Coal mine the second coal mining venture in Zimbabwe after Hwange Colliery Company.

The initial application for the Special Grant was submitted in April 2003.

The approval of the Special Grant comes as a relief to the company operations in Masvingo which had been suspended owing to erratic or non-deliveries of coal. Group General Manager Mr. Alexander Johnson described the coal mining project as a demonstration of the Steelmakers’ management philosophy of finding solutions to problems. “When we are confronted with problems we don’t just sit and cry about them, but we find solutions. Our operations in Masvingo were facing collapse because of serious coal shortages and we could not afford to lose that investment. So we had to go out and ‘find the coal’”, said Mr. Johnson.

Located in the Masvingo Mining District, The Chiredzi mine covers approximately 2550 square kilometres and according to explorations done the mine has a life span of 100 years. Tests conducted to date indicate that the coal has low sulphur content and is the non-coking type. However it is expected that the quality will improve as the mining gets deeper.

Mr. Johnson noted that in the process of finding solutions to problems Steelmakers is now helping other companies because the excess requirements is sold on the local market. “In finding solutions to our problems we are also helping other industries in Zimbabwe who are seriously in need of coal for their operations to continue running”, said Mr. Johnson.

It is expected that hundreds of new jobs will be created at a time unemployment levels are as high as 80%, and investor confidence low. The community is also expected to benefit from the investment through infrastructure development. The Chiredzi coal mine is currently producing about 20000tons per month of dry coal with output expected to increase once installation of processing equipment is complete.

The Commissioning of the Chiredzi coal mine represents Steelmakers’ commitment and confidence in the future of the Zimbabwe economy. Steelmakers has since spread its wings throughout the country since inception in 1998 and boasts of multi-billion dollar investments, creating wealth and employment opportunities for hundreds of Zimbabweans. **End!!**