

An aerial photograph of a port facility. A large red and white cargo ship, the 'STAR YPSILON' from 'HAJURO', is docked at a pier. A long conveyor belt system extends from the shore towards the ship. The ship's hull has the text 'PUERTO BOLIVAR COLOMBIA' and 'ENERGIA PARA EL MUNDO'. The background shows a clear blue sky and a calm sea.

EXPLORING OPPORTUNITIES

THE
ANSWER
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THE ANSWER IS



WELCOME TO COLOMBIA

Colombia is located in the north west of South America and is the only country in the continent with both a Pacific and Caribbean coast. The country is bordered by Panama, Venezuela, Brazil, Peru, and Ecuador and shares maritime boundaries with Costa Rica, Nicaragua, Honduras, Jamaica, the Dominican Republic and Haiti. Its national territory is divided into two main regions, with plains, lowlands, in the east and the Andes Mountain Range in the west.

Colombia is the 4th largest economy in Latin America. A sustainable economic performance, which enhances a competitive business environment and an attractive domestic market, makes of Colombia a country capable of offering a secure and profitable investment. Colombia's economy has reported an average annual rate of growth of 4% since 2003 and achieved a growth rate of 5% in 2012, which exceed the regional average of 3.5% GDP growth.

Colombia is the 3rd most business-friendly, and the most reformative country in Latin America. Similarly, it holds 6th place in the world and 1st in the region in terms of protecting its investors according to the World Bank's "Doing Business" report.

Colombia was ranked the 7th best destination for mining investment in the world and the 4th in Latin America in 2012 by Behre Dolbear. Foreign investment in the Colombian mining sector registered an average annual growth rate of 27% over the past ten years and totaled more than \$2.3 billion USD in 2012. Also, mining exports totaled 12.5 billion USD in 2012 with an annual average growth rate of 24.6% during the last decade.

Colombia was ranked 21st jurisdiction with "pure" mineral potential and the 2nd in Latin America, according to the Fraser Institute's Annual Survey of Mining Companies 2012/2013.

WHAT VARIETY OF MINING RESOURCES DOES COLOMBIA OFFER?

Colombia possesses a vast mining geological potential offering a distinct and great opportunity for extensive mining development. The presence of diverse geological habitats makes possible the exploitation of a significant variety of mining products of great economic interest.

In Latin America, Colombia is ranked 1st for coal, 4th for nickel, and 6th for gold production, and is by far the world's largest exporter of emeralds, (approximately 55% of world production). Additionally, Colombia extracts building materials, salt, copper, iron ore, manganese, uranium, among others.

According to the Mining and Energy Planning Unit (UPME), Colombian mining activity, in particular that related to coal, gold, and ferronickel, has shown an important growth dynamic, both in its production and exports. Several products based on mineral supplies such as cement, coke and jewelry, in particular, have also shown a similar trend.

COLOMBIAN MINING PRODUCTION 2012

- Coal: 89 Mill. Tn (39% from La Guajira and 52% from Cesar departments)
- Nickel: 52 Thousand Tn (100% from Cordoba department)
- Gold: 66 Tn (41% from Antioquia and 37% from Choco departments)
- Silver: 19,4 Tn (52% from Antioquia and 24% from Choco departments)
- Platinum: 1,5 Tn (99% from Choco department)
- Emeralds: 808 Thousand Carats (Boyaca and Cundinamarca departments)

Source: National Agency of Mining

Exploration activity expanded during recent years to respond to the growing global demand for minerals and the higher market prices. Mining titles granted grew from 2,965 in 2002 to 9,131 in 2012, currently accounting for 4.4% of the national territory. Also, mining titles requests have shown an average annual growth rate of 22% since 2004.

While titles in the exploration stage amount to 5,570 or 61% of total titles, the remaining 3,561 or 39% correspond to titles in exploitation stage. The distribution of titles by mineral is shown below:

Distribution of mining titles

Mineral	Area		Titles	
	Ha	Share	Number	Share
Precious Metals	2,653,924	53%	2,155	24%
Coal	1,290,662	26%	1,647	18%
Building Materials	436,331	9%	2,811	31%
Other	264,611	5%	797	9%
Limestone	233,036	5%	530	6%
Clay	86,179	2%	843	9%
Emeralds	85,527	2%	348	4%
Total	5,050,270	100%	9,131	100%

Source: National Mining Registry

MAIN MINERAL PRODUCTION



CURRENT MINE PRODUCTS

Coal - Thermal and Metallurgical

With resources of excellent quality, sufficient to participate in the world market for a significant time, Colombian coal is recognized worldwide for its low ash and sulfur content, and for its high volatile and calorific value.

Colombia is the largest producer and exporter of coal in Latin America. Coal production in recent years has enjoyed steady growth, reaching 89.2 billion tons in 2012. Coal exports increased by 23 million tons in the period between 2005 and 2011, representing a total growth rate of 40.9% and an annual average rate of 6.7%. According to the Statistical Review of World Energy 2012, Colombia has the largest proven reserves of coal in Latin America, measuring 6.7 billion tons in 2011.

Gold

The Colombian Andean system hosts gold bearing hydrothermal systems ranging from high-level, low temperature epithermal types, to deep, high temperature mesothermal types, all exposed due to the very rapid tectonic uplifts. In metallogenesis, both the western and central mountain ranges stand out in the Mesozoic and Cenozoic periods, a common situation in the Chilean, Peruvian and Mexican Andes.

Many foreign exploration and mining companies have become interested in the country in recent years, and Colombia has retained its status as one of the most popular exploration destinations in Latin America, attracting 2% of the total global nonferrous exploration expenditures in 2012, according to Metals Economic Group.

Nickel

This mineral is located in the Caribbean Region, in the departments of Cordoba and Antioquia.

The most important operation is Cerro Matoso, located in Montelibano, Cordoba department in northern Colombia. It combines a lateritic nickel ore deposit with a low cost ferronickel smelter. It produces an average of 52,000 tons of nickel/year, which places this mine as the 2nd largest producer of ferronickel. It also boasts some of the lowest costs worldwide.

According to the U.S. Geological Survey, Colombia is the 10th largest nickel-producing country. It produces approximately 4% of the world's nickel and 10% of global ferronickel.

The rate of production of nickel from ferronickel has steadily increased over the last decade; the percentage of nickel extracted from ferronickel by the pyrometallurgical process ranges from 30% to 34%.

Platinum

Production in Colombia comes from alluvial deposits located between the Pacific coast and the western mountain range. The Choco region has been historically the main producer of platinum since the 16th century. The San Juan River valley in the department of Choco, mined mostly by small mining cooperatives or individual prospectors, is one of the richest platinum regions in the world, with 98% of the Colombian production of platinum concentrated in that region.

Although Colombia produces less than 1% of global platinum, it is the world's 6th largest producer, and the only producer located in Latin America, according to the U.S. Geological Survey. Platinum production in Colombia is variable, and production averages approximately one ton per year.

Copper

Although Colombia is not a major producer of copper (production for 2012 was 3,136 tons), high international copper prices have generated interest from international companies.

For example, the Chilean company Codelco, the largest copper producer in the world, stated its interest to start exploration of this mineral in Colombian territory through the signing of a memorandum of understanding with the Colombian government.

Current copper production comes mainly from the El Roble mine, located in the municipality of Carmen de Atrato, in the Department of Choco. Additionally, deposits have been identified in the Departments of Tolima, Boyaca, Cauca, Choco, Nariño, Cundinamarca, Santander, La Guajira and Antioquia.

Iron

In 2012 Colombia produced 173,257 tons of iron ore. Production is located around the main deposits in the towns of Samaca and Belencito in Boyaca; Pacho, Subachoque, Nemocon, Zipaquirá in the department of Cundinamarca; Amaga in Antioquia; and La Plata in Huila. There are also deposits in the departments of Caldas and Tolima.

Iron has been produced primarily as a supply for the steel industry. Colombia's largest consumer of iron, Minas Paz del Rio is owned by the Brazilian company Votorantim, and accounted for approximately 30% of the country's iron ore processing in recent years. It is expected to expand capacity by 2.5 million tons by 2020.

Emeralds

Colombia is the largest emerald producer with 55% of the world's total production. It is one of the top exporters worldwide along with Brazil, Zambia, Zimbabwe, Pakistan and Madagascar. Due to their high quality, Colombian emeralds are among the most coveted gems. It is in Muzo, in the northwestern area of the department of Boyaca, that the largest deposits of this precious stone are found. In addition to Muzo, the mines of Borbur, Coscuez, Chivor, Peñas Blancas, La Pita and Quipama, located in Boyaca, also provide significant sources of emeralds. Colombia's other most important emerald extraction zones are located in the municipalities of Gacheta and Gachala in northeastern Cundinamarca.

CAN FOREIGN COMPANIES INVEST IN COLOMBIA?

Yes. Colombia actively encourages foreign investment. According to the Investor Protection Index Doing Business of 2013, Colombia is the leader in the region in terms of investor protection. Colombia is interested in adding value in the supply chain of the mining sector by increasing the participation of mining investors in the country, including junior organizations, mining conglomerates, and traditional miners.

Investors have opportunities to:

- Undertake new exploration
- Provide venture capital
- Become a partner in property or acquire the concession rights of a mining contract
- Invest in Colombia minerals through market purchases

Mining activities are regulated by the Colombian Constitution, National Laws adopted by Congress, government regulations issued by the Ministry of Mines and Energy and by the National Agency of Mining.

The Colombian Constitution states that the sub-soil and the non-renewable natural resources located within Colombian territory are the property of the Colombian State, and the extraction of such resources shall generate royalties. The right to explore and extract mineral resources can only be granted through a concession contract, duly awarded and registered at the National Mining Registry.

Foreign companies interested in investing in exploration and mining activities in Colombia are required to have a legal representative established in Colombia in order to submit proposals for mining concessions. The company must have a branch office, affiliate, or subsidiary in the country to sign

contracts. To incorporate a branch office or subsidiary, the following is required:

- Certificate of existence and legal representation of the parent company issued by the competent authority of the country of incorporation. In the case of an individual person, a copy of the passport must be provided.
- Power of attorney authorizing a representative to act on behalf of the parent company.
- In order to be able to submit proposals for mining concessions and to sign contracts in Colombia, bylaws of the parent company must be presented. They should explicitly establish the purpose of developing mining activities of exploration and exploitation.
- Official authorization from the parent company to open its branch in Colombia, indicating at least the following information:
 - Main business purpose of the branch
 - The amount of capital allocated to the branch
 - Address
 - Duration
 - The grounds for termination of the business
 - The appointment of a legal representative and powers
 - The appointment of an auditor

These documents must be legally processed according to Colombian legislation, which consists of the following:

- Authentication by a public notary, which certifies the legal representation, authenticity of the document and the existence of the society.
- The validation of the document by a Colombian consul.
- The acknowledgement of the Ministry of Foreign Affairs of Colombia.
- The translation of these documents into Spanish when and where necessary by an official translator certified in Colombia.
- The above steps do not apply if the country is a member of the Hague Convention, in which case the documents only require notarization and "Apostille".



Corporations in Colombia are incorporated by means of a public act formalized before a public notary or a notarized private document, which contains the corporation's bylaws, depending on the vehicle chosen by the investor to carry out its investment.

All the aforementioned documents will be required for this step. The public deed must be signed by the representative of the foreign company in Colombia.

In addition, as part of the incorporation process, commercial corporations must be registered with the commercial registry which is administered by the corresponding chamber of commerce located in the city where the company is to be based.

The companies that register with the commercial registry administered by the chamber of commerce must also register the Unique Tax Registration number (RUT, for its acronym in Spanish), which is processed through the format available at the National Tax and Customs Office (DIAN) website www.dian.gov.co. This form must be submitted in person to the chamber of commerce either by (i) the legal representative of the company, or (ii) the company's attorney together with the documents and the certification of the requirements indicated by the tax authority.

In principle, Colombian legislation does not require a minimum capital contribution to incorporate commercial companies. This implies that the capital contribution is set by the shareholders or partners, as may be the case, regarding the activities that the company plans to carry out in Colombia.

All foreign investment in Colombia, investment of Colombian capital abroad, foreign debts, import and export of goods, granting of guarantees and collateral in foreign currency and cross-border derivative transactions are operations that must be formalized through Colombia's foreign exchange market. To do so, the foreign investor must register foreign investment with the Colombian Central Bank which allows the foreign investor to enjoy his remittance rights.

It is very important to be aware that foreign investment must be updated with the Colombian Central Bank every year no later than June 30th.

For more detailed information please visit the website <http://colombia.eregulations.org> and the website Invest in Colombia: <http://www.investincolombia.com.co/>

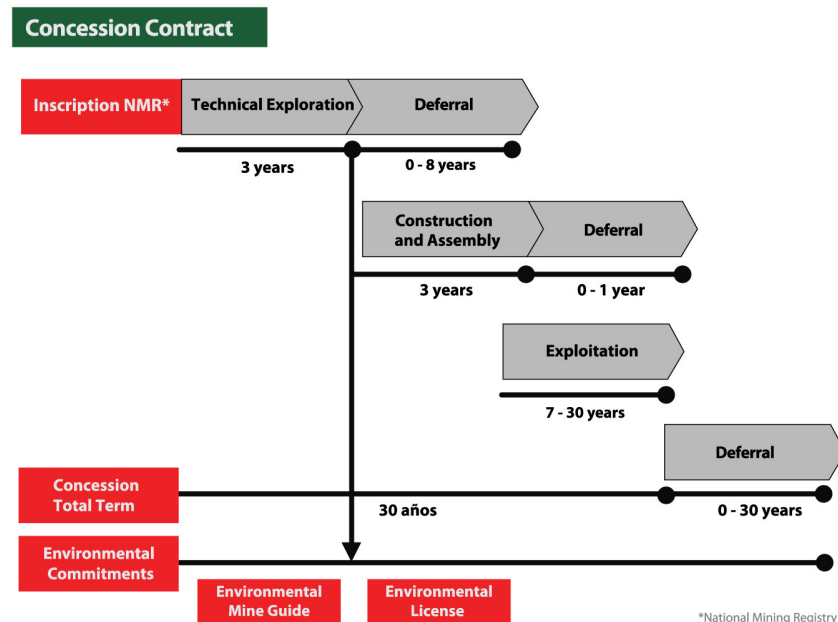
Some of the major mining companies with local presence in Colombia are shown in the table below. In addition, several leading and junior companies are investing in exploration projects, especially in metallic minerals.

Some mining companies with presence in Colombia

Company	Subsidiary in Colombia	Mineral	Country of Origin
BHP Billiton	Cerrejon-Cerromatoso	Coal Ferronickel	Australia
Anglo American	Cerrejon	Coal	South Africa
Xstrata	Cerrejon	Coal	Switzerland
Barrick	Sorotama	Gold	Canada
Anglo Gold Ashanti	N/A	Gold	South Africa
Drummond	N/A	Coal	United States
EBX	AUX-CCX	Coal - Gold	Brazil
Glencore	Prodeco	Coal	Switzerland
Votorantium group	Paz del Rio	Iron	Brazil
B2 Gold	Gramalote	Gold	Canada
Gran Colombia Gold	N/A	Gold	Canada
Holcim	N/A	Building materials	Switzerland
CEMEX	N/A	Building materials	Mexico

HOW CAN YOU OBTAIN MINING RIGHTS IN COLOMBIA?

The right to explore and develop mines in Colombian territory is obtained by a mining concession contract awarded by the National Agency of Mining (ANM).



The award of mining rights through concession applies the principle of staking, "first-come, first-served", with the exception of the areas declared by the National Agency of Mining as strategic. The mining titles located in Strategic Mining Areas will be awarded through public bidding processes lead by the ANM. Mining rights are negotiable between private parties and concession rights may be transferred in whole or in part.

There are thus three mechanisms to invest in mining in Colombia: (1) concession contract granted by staking (first-come, first-served principle); (2) concession contract for Strategic Mining Areas through public bidding and (3) total or partial transfer of concession rights.

1. Staking (first-come, first-served principle)

Investors interested in developing exploration and operating projects in Colombia must hold a mining concession contract awarded by the National Agency of Mining. The concession agreement grants, at the risk of the concessioner, the exclusive right to carry out exploration and exploitation, and to transport and ship specific minerals covered by the title. The title follows the terms and conditions set forth in the Mining Code.

Title holders can request to extend the scope of the concession contract if they find other minerals within the granted area that are not included in their initial concession. In carrying out these activities, the concessioner will have technical, industrial, economic and commercial autonomy. Therefore, the licensee may choose the type, form, and order of application of systems and processes, and determine freely the location, movement and timing of the use and involvement of staff, equipment, facilities and construction. Mining or environmental authorities will undertake supervision to ensure the adequate conservation of resources of mining activity and compliance with health, safety and environmental mining standards.

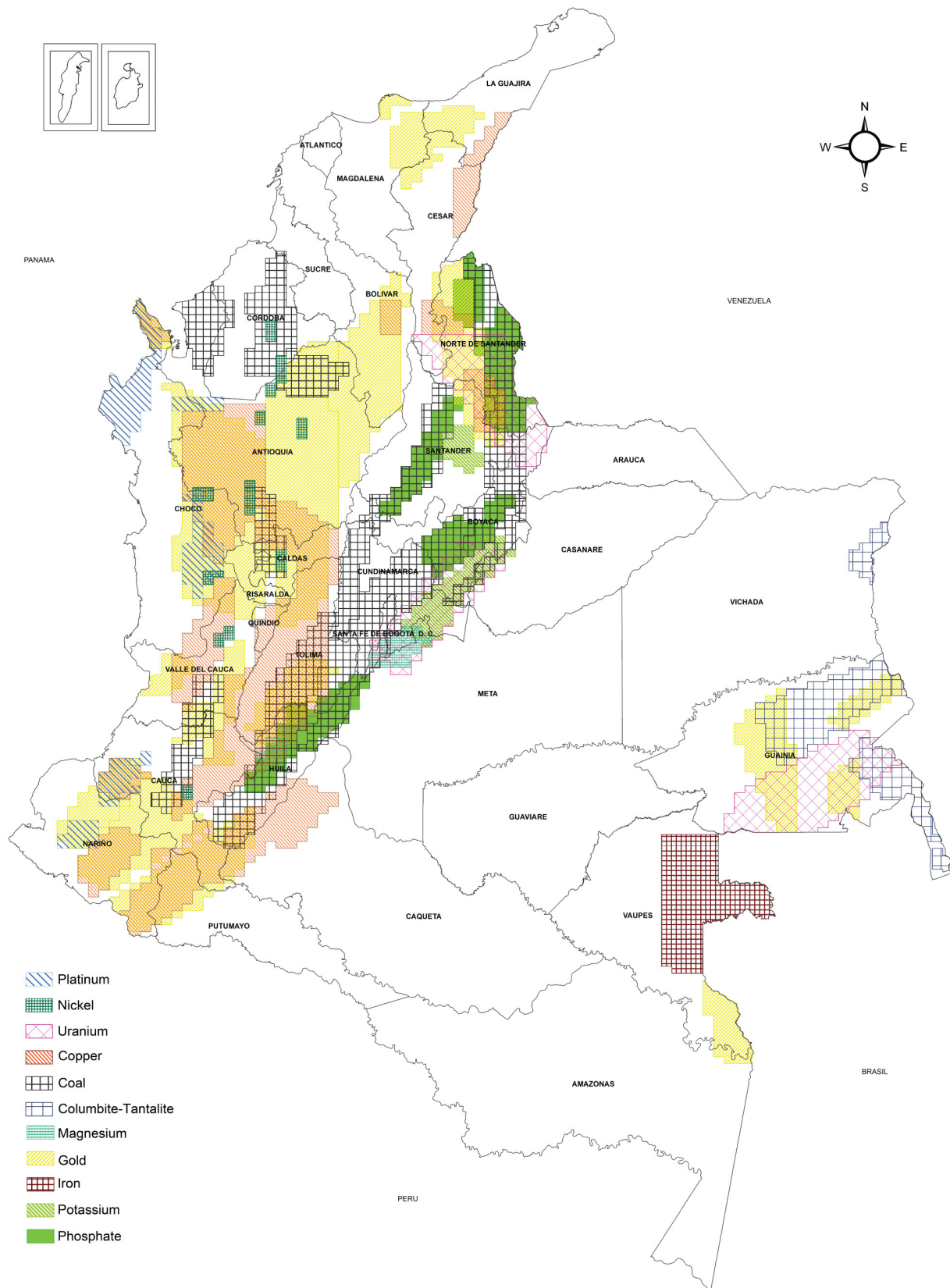
To acquire a concession contract, first identify the potential areas for investment and which are without a contract; this information is available in the National Mining Registry. Once the area is identified the investor must purchase a PIN number or right to apply on-line. PIN numbers to apply for concession contracts are only valid for one request. With the PIN number and ID number you can access the National Mining Registry and complete the concession application form. The National Agency of Mining checks whether the requested area is free and evaluates the technical and legal feasibility of the proposal and issues a formal conclusion.



2. Awarding Strategic Mining Areas

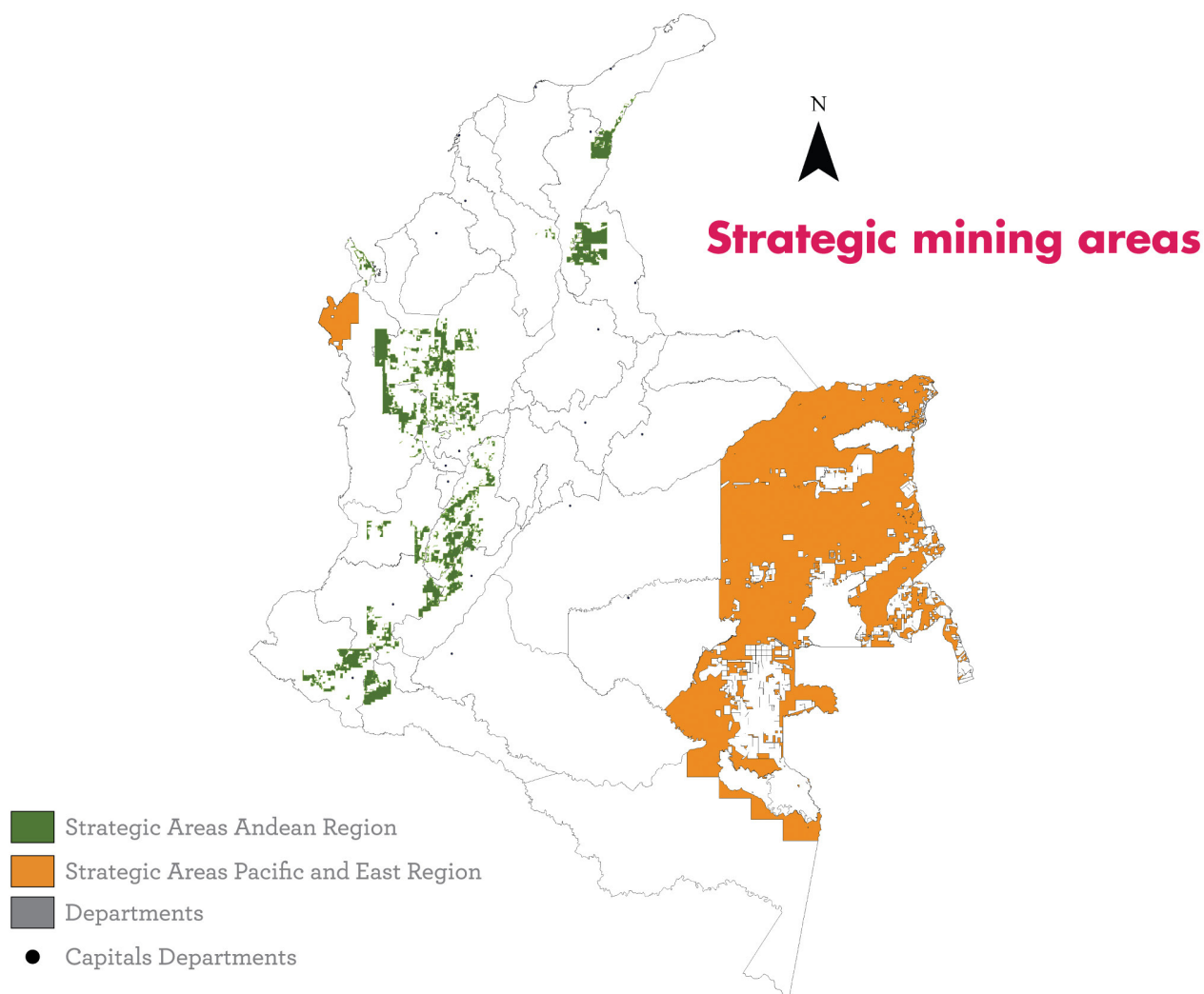
By taking into account the international market trends and geological features of the Colombian territory, the national government determined “minerals of strategic interest”. These minerals are gold, platinum, copper, iron, metallurgical and thermal coal, columbite - tantalite, phosphate, potassium, magnesium and uranium.

MINERAL PRODUCTION



STRATEGIC MINING AREAS

The National Government reserved 20.5 million hectares of territory located in the departments of Antioquia, Bolivar, Caldas, Cauca, Cesar, Choco, Huila, La Guajira, Nariño, Norte de Santander, Putumayo, Quindio, Risaralda, Tolima, Valle del Cauca, Amazon, Guainia, Guaviare, Vaupes and Vichada. The objective is to award them through a competitive tender process. They are called Strategic Mining Areas (SMA).



SMA will be assigned through a competitive bidding process that will be led by the National Agency of Mining. The process will use available geological information provided by the Colombian Geological Service, and will be awarded as a function of the geological potential in order to guarantee the adequate exploration and exploitation of the mineral resource.

Geological potential of the areas will be determined by the Colombian Geological Service through the following geoscientific exercises:

- Geological reconnaissance and geochemistry exploration of the areas located in the Andean region.
- Airborne geophysics information in the Andean and Eastern regions.
- Establishing an information management system of geochemical and geophysical information.



3. TRANSFER OF CONCESSION RIGHTS

In the process of transferring rights, the licensee can voluntarily transfer to a third party the rights of a mining title or part of it through private negotiation.

Due to its private nature, no governmental entity is responsible for the transfer of mining rights as these are between private parties. Therefore, investors are advised to review four key aspects before buying an existing title:

1. Check that the title is a legal mining title.
2. Check that the title is up to date with its legal obligations.
3. Check that the investor is not disqualified from contracting with the government.
4. Check that the title is not within the prohibited areas for mining, an area with minority ethnic communities and / or in an environmental excluded area.

WHAT PROCEDURES SHOULD THE MINING INVESTOR KEEP IN MIND?

Colombia is committed to efficient and timely reviews of projects using well defined processes. The senior legislation governing mine activities in the country is the Mining Code, although other legislation may be applied to projects to meet other regulatory interests or processes. The processes are the same for everyone whether the interested party is national or international. The following is a list of general procedures mining investors need to keep in mind.

GENERAL MINING PROCEDURES

PROCEDURE	RESPONSIBLE ENTITY
Obtain a Mining Title	NATIONAL AGENCY OF MINING
Mining certificate in the National Mining Registry	NATIONAL AGENCY OF MINING
Application for the transfer of mining rights	NATIONAL AGENCY OF MINING
Application for the transfer of a mining area	NATIONAL AGENCY OF MINING
Calculation, collection and distribution of royalties and other compensations	NATIONAL AGENCY OF MINING MUNICIPAL MAYOR'S OFFICE
Legal rights for mining purposes	MUNICIPAL MAYOR'S OFFICE
Request of easement of property in favor of mining	MINISTRY OF MINES AND ENERGY
Request of certificate of free mining areas	NATIONAL MINING AGENCY
Request of environmental license	NATIONAL AUTHORITY OF ENVIRONMENTAL LICENSES (ANLA), MINISTRY OF ENVIRONMENT AND SUSTAINABLE DEVELOPMENT, REGIONAL ENVIRONMENTAL AUTHORITIES (CARS)

Request for wastewater discharge permit	REGIONAL ENVIRONMENTAL AUTHORITIES (CARS)
Request for surface water concession	REGIONAL ENVIRONMENTAL AUTHORITIES (CARS)
Request for use of timber and non-timber products from natural forests	REGIONAL ENVIRONMENTAL AUTHORITIES (CARS)
Prior consultation with ethnic minorities	MINISTRY OF INTERIOR, COLOMBIAN INSTITUTE FOR RURAL DEVELOPMENT (INCODER)
Purchase of explosives and demolition accessories	MILITARY MANUFACTURER (INDUMIL)
Request of importation registry	MINISTRY OF COMMERCE INDUSTRY AND TOURISM
Request, update or cancellation of a Unique Tax Registry (RUT)	NATIONAL TAX AND CUSTOMS OFFICE (DIAN)
Request to declare the capital flows in cash greater than to 10,000 USD or its equivalent in other currencies	NATIONAL TAX AND CUSTOMS OFFICE (DIAN)
Request to declare the entry or exit of securities representing greater than USD\$10,000 or its equivalent in other currencies	NATIONAL TAX AND CUSTOMS OFFICE (DIAN)
Request road use permit	NATIONAL ROADS INSTITUTE (INVIAS)
Request of a port license	NATIONAL INFRASTRUCTURE AGENCY (ANI)
Registry of workers to the general social security system	GENERAL SOCIAL HEALTH SECURITY SYSTEM (SGSSS)
Request of authorization of proportionality or variation of the proportionality between national and foreign workers	MINISTRY OF LABOR
Application for protection by security forces in conflict zones	PRESIDENTIAL COUNCIL FOR ENERGY AND INFRASTRUCTURE PROTECTION
Authorization for archeological exploration and conservation	COLOMBIAN INSTITUTE OF ANTHROPOLOGY AND HISTORY

WHAT TYPE OF MINING DUTIES MUST BE PAID?

During the exploration and construction stages a surface rent fee is charged to the mining titleholders. During exploitation a royalty must be paid as economic compensation for the right to exploit mineral resources. Royalties are calculated as a percentage of the value of mineral production calculated at the mine. The following are the current rates for 2013. As a reference, the Legal Daily Minimum wage applicable in 2013 is COP 19.650, or US 10.6 at a 1.850 pesos per dollar exchange rate.

DUTY	FEE	OBSERVATION
Surface fee	1 to 3 legal daily minimum wages	<p>Payment is equivalent to one legal daily minimum wage per hectare per year during the exploration, construction and installation, and additional exploration.</p> <p>1 legal daily minimum wages when the contracted area has less than 2,000 hectares.</p> <p>2 legal daily minimum wages when the contracted area has between 2,000 and 5,000 hectares.</p> <p>3 legal daily minimum wages when the contracted area has more than 2,000 hectares.</p>
Other fees		For concession agreements in strategic areas, the fees will be defined in the specific terms of the concession.
Royalties	1-12% of the value of production	Gold and silver 4% 6% for alluvial gold in concession contracts
		Platinum 5%
		Emeralds 1.5%
		Coal 10% Exploitation of more than 3 million tons/year 5% Exploitation of less than 3 million tons/year
		Nickel 12% FOB price minus 75% of the costs
		Limestone, gypsum, gravel and clay 5%
		Other metallic minerals 1%
		Other non-metallic minerals 3%
		Salt 12%
		Radioactive materials 10%

For further information regarding surface fees and royalties please contact the National Agency of Mining or visit: www.anm.gov.co

For further information regarding taxes please contact the National Tax and Customs Office (DIAN) or visit: www.dian.gov.co

WHAT INCENTIVES DOES THE COLOMBIAN GOVERNMENT OFFER IN THE MINING SECTOR?

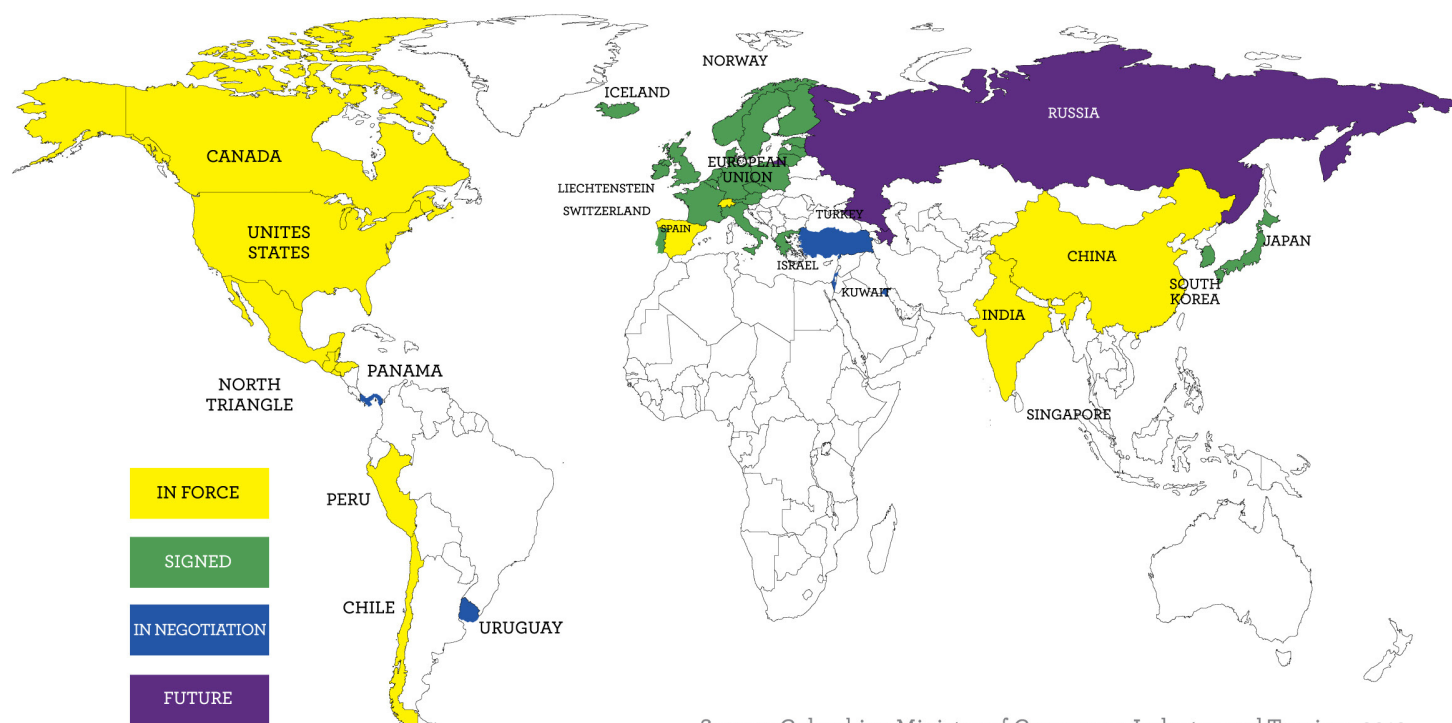
Despite the fragile international economic situation in recent years, Colombia has showed resilient economic performance and attractive advantages for foreign investors. There exist strong public commitments to offer incentives for investment and business stability. Consequently, the World Bank ranked Colombia as the third most business-friendly country in Latin America in its 2013 "Doing Business Report".

With the purpose of attracting and retaining foreign direct investment, Colombia has developed international instruments for the protection of foreign investment such as Promotion and Protection Agreements that have been signed with several countries. The purpose of these agreements is to offer a long-run stable and attractive environment for investors.

Colombian trade policy seeks to integrate the country efficiently into the global economy. Current objectives include negotiations of free trade agreements (FTAs) with new countries and deepening of existing agreements, investment agreements, and double taxation agreements that will allow a better insertion of Colombia into international markets. Colombia currently has Trade Agreements with 47 countries, obtaining preferential access to over 1.5 billion consumers.

Colombia has Double Taxation Agreements with Canada, Ecuador, Peru, Bolivia, Switzerland and Spain.

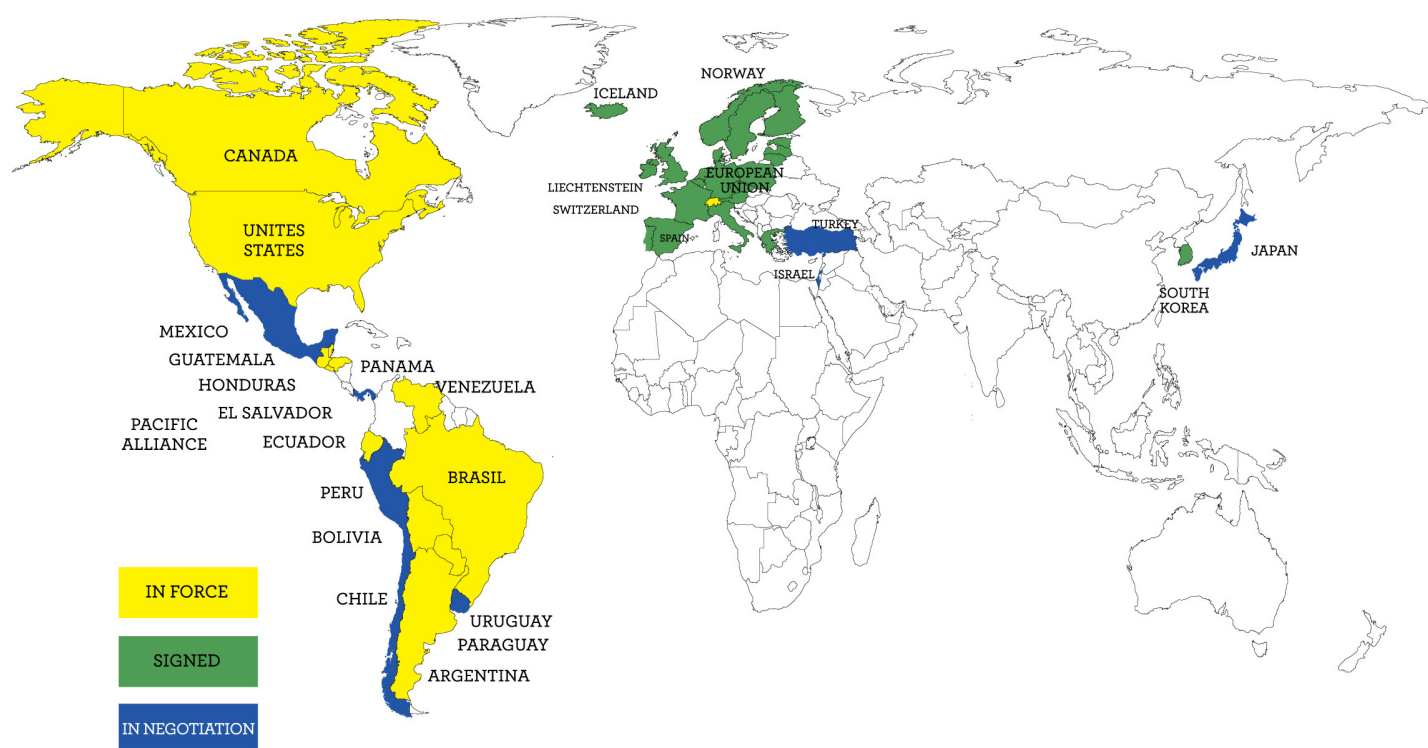
International Investment Agreements - IIA



Source: Colombian Ministry of Commerce, Industry and Tourism. 2013

Note: The International Investment Agreements (IIA) include Agreement Investment Treaties - BIT (agreement) and Free Trade Agreements - FTA - with investment section (chapter)

Free Trade Agreements



Source: Colombian Ministry of Commerce, Industry and Tourism. 2013

In terms of globalization, The Globalization Index 2010 by Ernest and Young which measures openness to trade, capital movements, labor movements, exchange of technology and ideas and cultural integration of the world's 60 largest countries, placed Colombia in 3rd place in Latin America, above countries such as Japan, Brazil, Russia and Indonesia.

For information regarding incentives please contact the National Tax and Customs Office (DIAN) or visit: www.dian.gov.co

WHAT FACILITIES AND ADVANTAGES DOES COLOMBIA OFFER?

INFRASTRUCTURE

Colombia has a multimodal infrastructure framework consisting of 214,433 km. of roads, 24,725 km. of rivers, 1,194 km. of railway lines, and 610 km. of runways in airports. In spite of this varied array of transportation alternatives, recent economic growth has highlighted the need of improving infrastructure in order to support and further promote development in growing sectors such as mining.

In 2012, infrastructure investment contributed 7.2% to GDP, and during the last five years investment in transport infrastructure has grown by 2.5 times, from approximately 0.8% to 1.6% of GDP. Expenditure in transport infrastructure as a percentage of GDP is expected to be between 3% and 4% as a result of the increased investments. This investment will be directed to all transportation subsectors and is aimed to improve the integration of the transport network in order to face global challenges and gain increased competitive advantage. Key infrastructure projects are highlighted below:

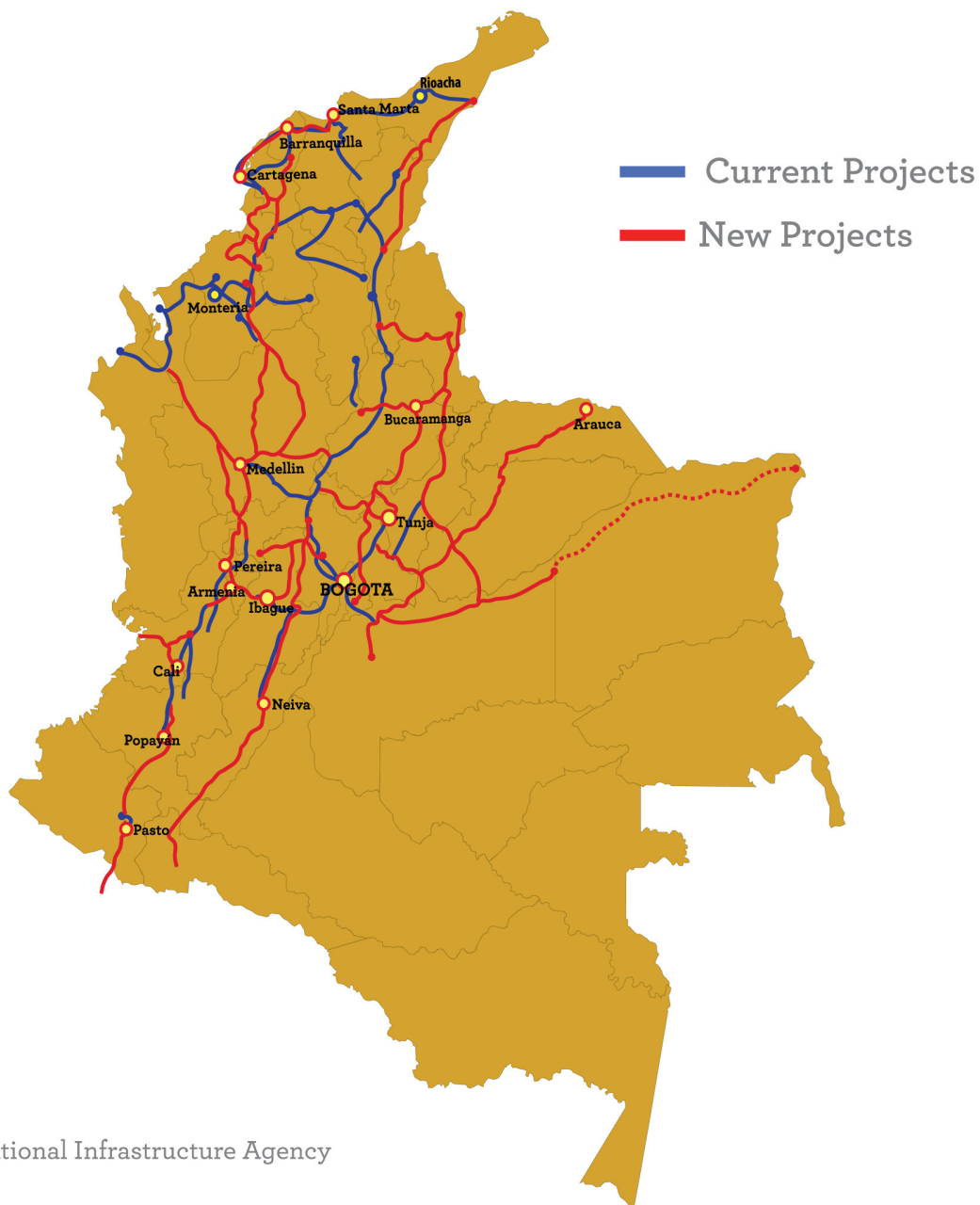
ROADWAYS	RAILWAYS	FLUVIAL	PORTS
Adjustment and improvement of routes for mobilization and transportation	Rehabilitation of the central system	Improve Magdalena River navigability	Increase current port capacity expansion
	Construction of the Carare Train and the new exit to the Caribbean Sea	Improve Meta River navigability	Construction of Puerto Nuevo and Puerto Brisa
	Routes connecting the Pacific and Atlantic coasts		Optimization of ports operations: Barranquilla, Cartagena and Buenaventura
	Construction of 12 new railway lines		Reinforcing approved projects where construction has not yet started
			New project alternatives (Bocas de Ceniza and Baru)

ROADWAY INFRASTRUCTURE

More than 80% of national cargo is moved by road. Minerals such as coal, cement, iron and related products, represent 15% of the products transported in Colombia's main and secondary roads. There has been recent growth in the use of roads to transport coal mainly due to the exportation of this mineral through the ports located in the Caribbean coast, such as Cienaga and Santa Marta, and the improved security conditions.

In order to enhance conditions and improve accessibility to municipalities, the Colombian government has contracted the construction of approximately 2,000 km of double-lane highways.

Projects of Main Corridors



Source: National Infrastructure Agency

RAILWAY INFRASTRUCTURE

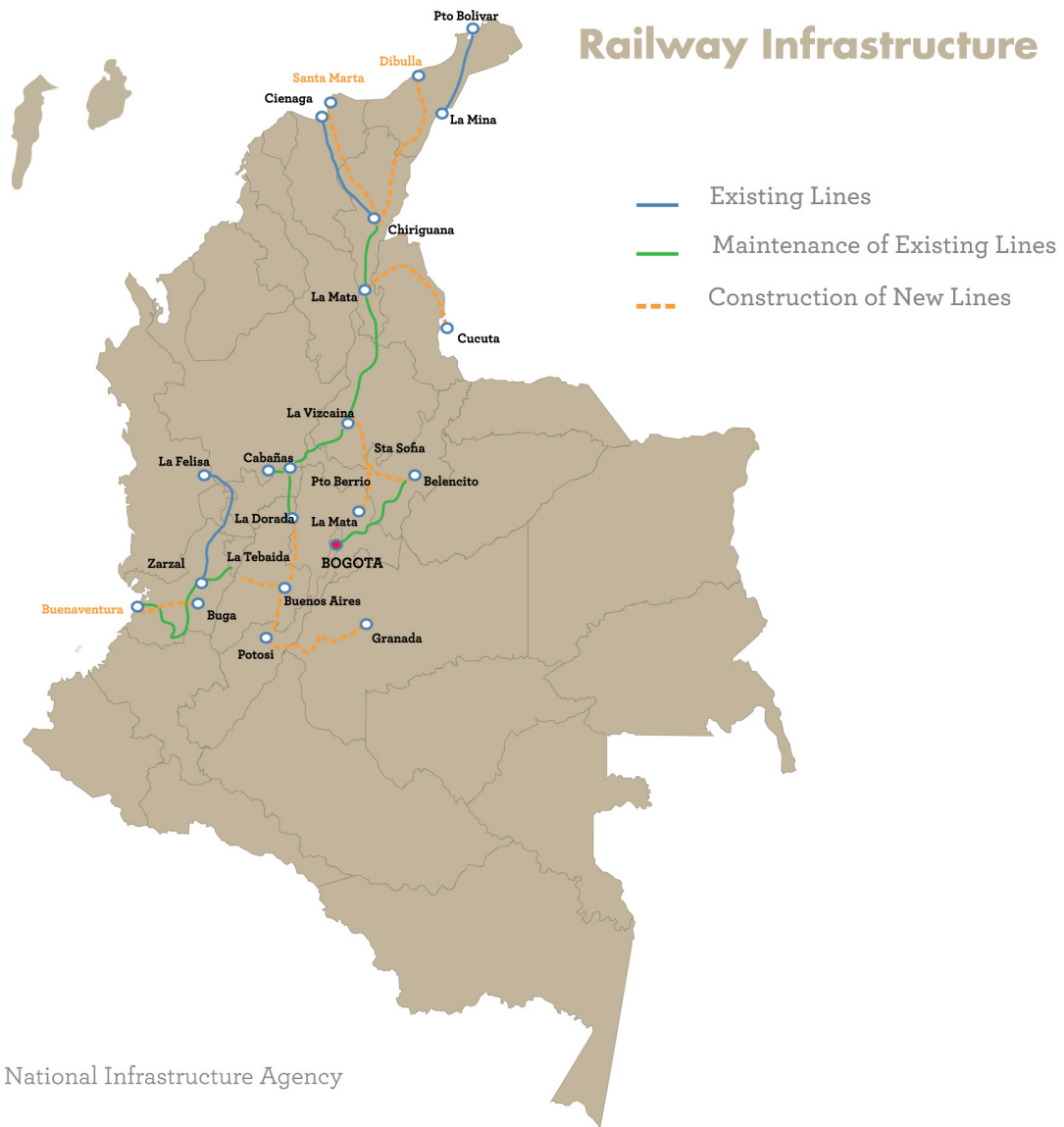
The Colombian government understands that incorporating the Railway System into the National Transportation System is essential for the economic development of the country. Railways will connect production areas to consumption centers and strategic trade centers, mobilizing high cargo volumes and substantially improving competitiveness, mainly for exporting. Currently, 26% of total cargo is moved by railway making it the second most important means of transporting cargo in the country.

Coal is transported mainly through the rail system, and makes the most significant industrial demand of trains. The following are the most important railways currently in use:

- Railway of Cerrejon, which connects mines in the Guajira department with the port of Puerto Bolivar in the Caribbean Coast.

- Railway concession of Northern Colombia from La Loma (Cesar department) to Cienaga (Magdalena department).
- Pacific railway concession from La Felisa (Caldas department) to Buenaventura (Valle del Cauca department).

The National Government's current objective is to restore the country's railway network, giving opportunity for megaprojects that are mainly private sector initiatives. The projects include the Pacific railway, the Central railway and its interconnections, the development of the Carare railway connecting the eastern plains, the oceanic initiative of Darien and the connection Dibulla between the stretch of Chiriguana - Dibulla in the department of La Guajira.



Source: National Infrastructure Agency

Projects In fluvial infrastructure



Source: Ministry of Mines and Energy

FLUVIAL INFRASTRUCTURE

The main rivers of the Colombian fluvial system represent 24,725 km. of which 7,063 km. are permanently navigable. Including the segments that are navigable part of the year, the total system amounts to 18,225 km.

The Magdalena River is one of the best options to transport products from the mountainous center of the country to the ports in the Caribbean and the Pacific.

Currently, the government is developing, among others, a project to improve the navigability and transport of cargo in the Magdalena River, developing the corridor of Orinoco and the Amazon and the optimization of the fluvial route along the Pacific Coast called the “Acuapista Buenaventura – Guapi”.

MARITIME CONNECTIVITY

More than 3,000 ocean freight routes (regular, direct and connecting services) depart from Colombian ports, they are operated by 28 shipping companies destined for 500 ports around the world.

Colombia has nine port areas, seven of them in the Caribbean Coast: La Guajira, Santa Marta, Cienaga, Barranquilla, Cartagena, Morrosquillo Gulf of Uraba and San Andres; and two in the Pacific: Buenaventura and Tumaco.

These ports mobilize 128 million tons of cargo, receive close to 25,000 vessels and 2.4 million containers a year.

The National Government is currently developing several projects to improve port infrastructure and access. These include the port terminals of Puerto Brisa, Puerto Nuevo and Puerto Bahia on the Caribbean Coast, the expansion and acquisition of equipment in the Ports of Santa Marta, Cartagena and Buenaventura, structuring the dredging of the access channel to Buenaventura, and increasing the capacity of ports on the Pacific coast to better serve routes to Asian markets.

Projects in port infrastructure



Source: National Infrastructure Agency



Easy Access to Global Markets

Colombia is strategically located within five different time zones, that are shared with important business hubs such as New York, Toronto, and Miami.

Additionally, it is at the heart of the hemisphere's major commercial and financial centers, both in North and South America, sharing cultural affinity with both regions – an asset in terms of the successful consolidation of business operations. More than 30 airlines, both cargo and passenger based, operate services to and from Colombia. There are more than 700 international flights and 4,900 domestic flights every week.

Developed Logistics Infrastructure

Colombia is located on a focal point of maritime activity. It is close in proximity to the Panama Canal (which is being widened / upgraded), a crossroad for the main lines of global trade communication, a strategic connection point between North and South America – as well as the East Coast of the United States of America and Asia. These features present an opportunity by means of acting as a commercial exchange platform.

Air connection for the transportation of cargo from Colombia is covered by 32 airlines, with cargo allowances. These cover more than 1,700 export routes and access to almost 400 cities throughout the world. El Dorado International Airport in Bogota handles the highest movement of cargo in Latin America – 617,000 mobilized tons.

World-Class Technological Infrastructure

Colombia's infrastructure is able to maintain operations on a global scale. It is supported by means of five undersea cables generating a bandwidth greater than 550 gigabits per second (gbps), supplemented by a fiber optic cable ring connecting 300 municipalities in the country. It is projected that by 2014, a total of 1,078 municipalities will be connected.

The most recent United Nations e-government survey shows that Colombia maintains its leadership in the region with regards to e-government, holding second place in Latin America and ranking forty-third in the world.

WHAT ADDITIONAL INFORMATION DO I NEED TO KNOW?

Are existing mineral exploration rights transferable between companies?

Yes. Concession Contracts allow the licensee to voluntarily transfer to a third party the rights of a mining title or part of it through private negotiation.

Is the award of a mineral right a pre-requisite to start exploration or mining?

Yes in most cases. Exploration that results in minimal surface disturbances (e.g. prospecting, airborne surveys, regional mapping) may be conducted without a concession contract. All other exploration requires mining title.

How can I tell what titles are available and which are under mineral tenure?

In the National Mining Registry you can access the mining rights granted by the government by holder's name, title identification code, minerals and departments where the project is located.

The information recorded for each search will allow you to check:

- o At what stage the project is
- o The current legal status of the mining title
- o The name of the holder
- o Authorized minerals
- o Geographic information contained in the polygon of the entitled area

You may access the Colombia Mining Register at: <http://www.anm.gov.co/?q=aplicacion-catastro-minero>

What procedures are required to travel to Colombia?

There are several categories of visas. It is important to note that citizens of many countries do not need a visitors visa for short trips to Colombia with the following purposes: for making commercial contacts, for urgent technical services, or for tourism.

However, if the purpose of your visit is to settle in Colombia to work or to do permanent business, you do need a visa to enter the country.

Please visit your nearest Colombian Consulate or the Ministry of Foreign Affairs.

webpage www.cancilleria.gov.co for more information.

What should i know about Labor matters in Colombia?

Labor law regulates employment relationships depending on whether they are individual or collective. Individual labor law regulates the relationships between the employer and individual employees, and collective labor law regulates the relationship between the employer and associated employees, whether unionized or otherwise.

Labor law applies to all labor relationships in Colombia, regardless of the nationality of the parties (employer or employee) or the place where the contract was executed.

5 THINGS AN INVESTOR MUST KNOW ABOUT LABOR MATTERS IN COLOMBIA

1. Employment contracts executed in Colombia, regardless of the nationality of the parties, are governed by local law.
2. At the end of each year, the Government determines the Legal Monthly Minimum Wage ("MLMW").
3. Under Colombian labor law, there are payments which must be considered as being part of the base salary package, regardless of the will of the parties, such as commissions or bonuses for meeting targets.
4. Both national and foreign employees, resident in Colombia and legally bound by an employment agreement are required to join and contribute to the social security system.
5. In addition to the employee's monthly salary, extralegal benefits can be agreed upon which do not constitute part of the salary base. They must not exceed forty percent (40%) of base salary.

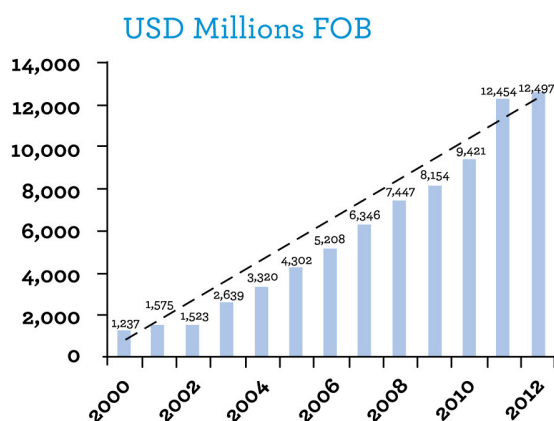


HOW DOES MINING CONTRIBUTE TO THE COLOMBIAN ECONOMY?

The mining sector is considered to be one of the most dynamic economic sectors in Colombia. It has grown at an average annual rate of 6.6% between 2000 and 2012 and accounts for 2.3% of total GDP.

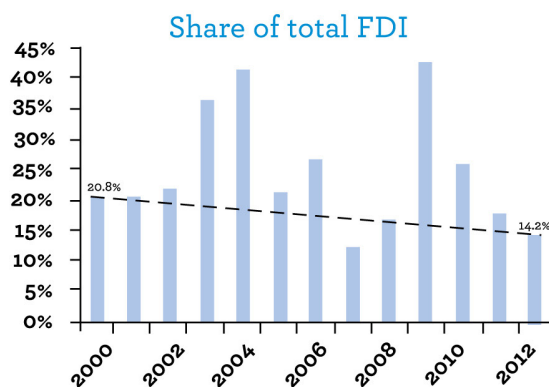
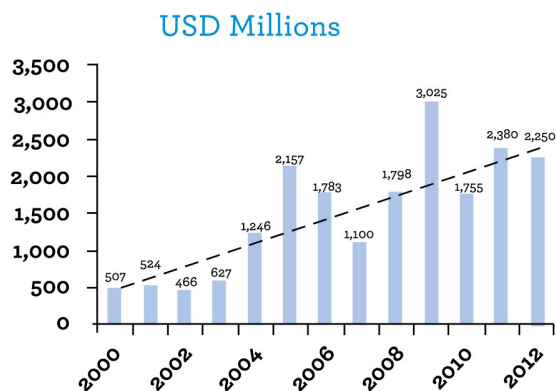
Mineral exports have grown from 1,237 USD million in 2000 to 12,497 USD million in 2012, accounting for 21.3% of total Colombian exports. In addition, the share of the mining sector in Foreign Direct Investment (FDI) equates to 14.2%, rising from 507 to 2,250 USD millions during the same period.

MINERAL EXPORTS EVOLUTION



Source: Central Bank of Colombia

FOREIGN DIRECT INVESTMENT EVOLUTION

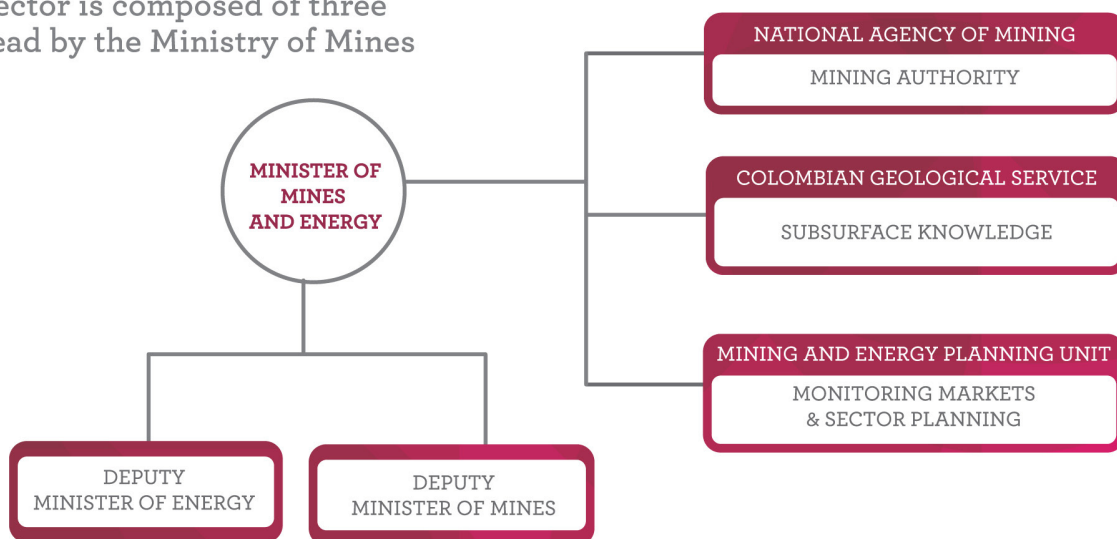


Source: Central Bank of Colombia

WHO SHOULD I CONTACT TO TAKE ADVANTAGE OF THE OPPORTUNITIES IN THE MINERAL INDUSTRY OF COLOMBIA?

GOVERNMENT INSTITUTIONS

The mining sector is composed of three institutions lead by the Ministry of Mines and Energy



Ministry of Mines and Energy (MME)

The Ministry of Mines and Energy is responsible for implementing the national policy for exploration, extraction, transportation, refining, processing, transformation and distribution of minerals and hydrocarbons. In addition, it is responsible for production, transmission, interconnection, distribution policy and the establishment of technical regulations for electrical energy issues. The rational use of energy, the development of alternative energy sources and generally all technical, economical, judicial, industrial and commercial activities related to the comprehensive usage of non-renewable natural resources and the entirety of the country's energy sources is also responsibility of the Ministry. Additionally, the Ministry ensures that the activities carried out by companies belonging to the mining and energy sectors guarantee the adequate development of the country's natural resources.

www.minminas.gov.co

National Agency of Mining (ANM)

The Colombian National Agency of Mining is the governmental authority responsible for granting exploration and mining concessions, enforcing mining legislation, and regulating and promoting the sector.

The Agency's main goal is to develop a strong sector, achieving social and environmental sustainability. For this reason, Colombia is promoting investment opportunities for exploration and exploitation of mining to companies around the world, emphasizing a commitment to applying best practices.

www.anm.gov.co

Colombian Geological Service (SGC)

The Colombian Geological Service is a scientific and technical institution, the purpose of which is to conduct basic and applied scientific research of the potential of the subsoil resources, advance in the follow-up and monitoring geological threats, administer subsoil information, ensure safe management of nuclear and radioactive materials in the country, coordinate nuclear research projects, and management of the country's nuclear reactor.

Amongst others, its responsibilities include the basic and applied scientific research of the potential of subsoil resources and manage data and information of the subsurface of the country.

www.ingeminas.gov.co

Mining and Energy Planing Unit (UPME)

The Mining and Energy Planning Unit is a technical advisory body appointed to the Ministry of Mines and Energy for planning the development of the mining and energy sectors. It is responsible of analyzing and providing information to national and international markets about minerals and other products related directly or indirectly to mining. It integrates and manages the Colombian Mining Information System, SIMCO, and is responsible of formulating the National Mining Planning - land use - and to adopt and disclose the Mining Development Plan.

www.upme.gov.co

National Authority of Environmental Licenses (ANLA)

The National Authority of Environmental Licenses (ANLA) is responsible of evaluating and monitoring all projects that are subject to environmental licensing. This includes issuing environmental licenses or permits.

Specifically in the mining sector, ANLA approves environmental permits for mining development and infrastructure construction, and the permits and concessions for forest use.

www.anla.gov.co

Regional Environmental Authorities (CARS)

CARS are local public corporate entities, endowed with administrative and financial autonomy to manage the environment and renewable natural resources, in accordance with the laws and policies of the Ministry of Environment.

National Infrastructure Agency (ANI)

The National Infrastructure Agency plans, coordinates, structures, contracts, implements, manage and evaluates concession projects and other forms of Public Private Partnership (PPP) in the physical infrastructure sector. Specifically, ANI hires private providers for the design, construction, maintenance, operation and management of public transport infrastructure in all related services and the development of public-private partnership projects for other public infrastructure.

www.anl.gov.co

Proexport

Proexport is the organization responsible for promoting non-traditional exports, international tourism and foreign investment in Colombia. Through a network of national and international offices, it offers support and essential consultation to Colombian businesses. Proexport offers direct services to ensure the design and execution of internationalization strategies, which seek to make, develop and finalize opportunities for businesses.

www.investincolombia.com.co

WHERE CAN I FIND **MORE INFORMATION?**

National Agency of Mining
Calle 26 No. 59-51 Tower 4
Floors (8,9 y 10)
Bogotá D.C. - Colombia.
Tel: + 57 1 2 20 19 99
E-mail: contactenos@anm.gov.co
Website: <http://www.anm.gov.co>

Useful Web Links

Government Sites:

- Ministry of Mines and Energy <http://www.minminas.gov.co>
- Colombian Mining Information System (SIMCO) <http://www.simco.gov.co>
- Colombian Geological Service <http://www.ingegominas.gov.co>
- National Planning Department <http://www.dnp.gov.co>
- Mining and Energy Planning Unit (UPME) <http://www.upme.gov.co>
- Ministry of Environment and Sustainable Development <http://www.minambiente.gov.co>
- Ministry of Interior <http://www.mininterior.gov.co>

Groups and Associations:

- Colombian Chamber of Mining <http://www.ccmineria.org/>
- Asomineros - Mining Chapter of the National Business Association of Colombia (ANDI) <http://www.andi.com.co/pages/comun/infogeneral.aspx?Id=47&Tipo=2>
- Association of Large Scale Mining (SMGE) <http://www.mineria-responsable.com/>
- National Federation of Coal Producer (Fenalcarbón) <http://fenalcarbon.org.co/>

Our Colombia is a country filled with facts.
Surprising but undeniable facts.

Facts that speak for themselves
and make us proud.

What do these facts say about us?

They say we have the resources,
the talent and the drive.

These facts tell us,
as well as the whole world,
that we have arrived,
that we have become a sure thing,
that we are a solution.

In a single sentence, they say,

THE ANSWER IS

