



MINING SECTOR IN COLOMBIA -MOVING FORWARD-

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Colombia at a glance

GDP 2014: +4.6%

Average growth in the ten years +4,8%

CONTROLLED INFLATION

2014: 3.66%

Below target inflation

FDI 2014: US\$16 Billion

UNEMPLOYMENT RATE

2014: 9.1%

Unemployment rate 2013: 9.6%.

POVERTY INDICATOR 2014: 28,5%

POVERTY INDICATOR 2009: 40,3%

INVESTMENT GRADE

RATING

**STANDARD
& POOR'S**

BBB

Stable

FitchRatings

BBB

Stable

MOODY'S

Baa2

Positive

DOING BUSINESS RANKING

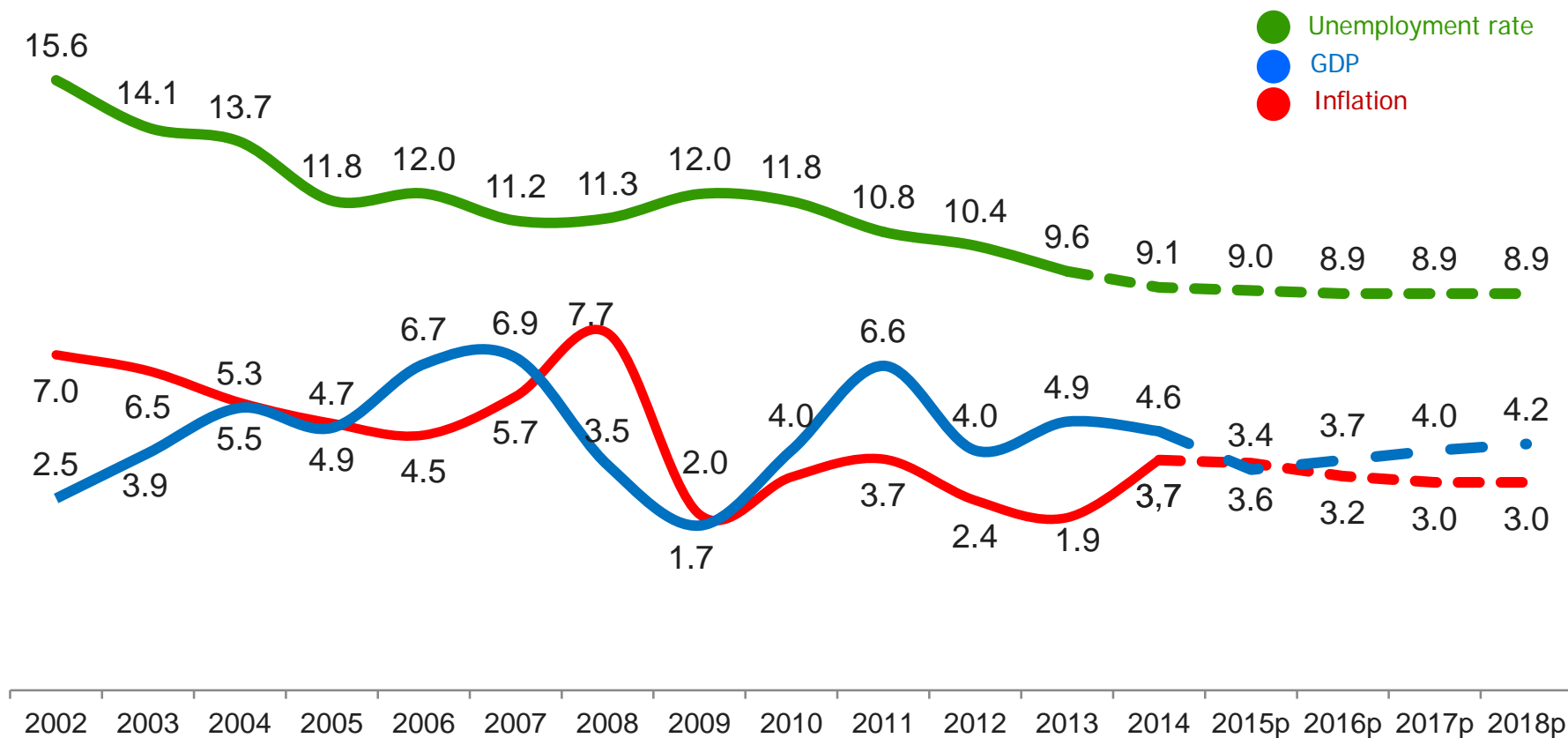
2015 RANK : 34

(+19 with respect to
2014)

Source: DANE, Central Bank, S&P Ratings; Revista Dinero, Doing Business 2015

Macroeconomic stability and strong economic performance in the long term

GDP Growth, Inflation and unemployment Rate 2002 – 2018p (%)



P: Projected

Source: DANE; Banco de la República;

Forecasted data source: FMI, April 2015

Mining is vital for Colombia



Mining represents more than 2,1% of the country's GDP

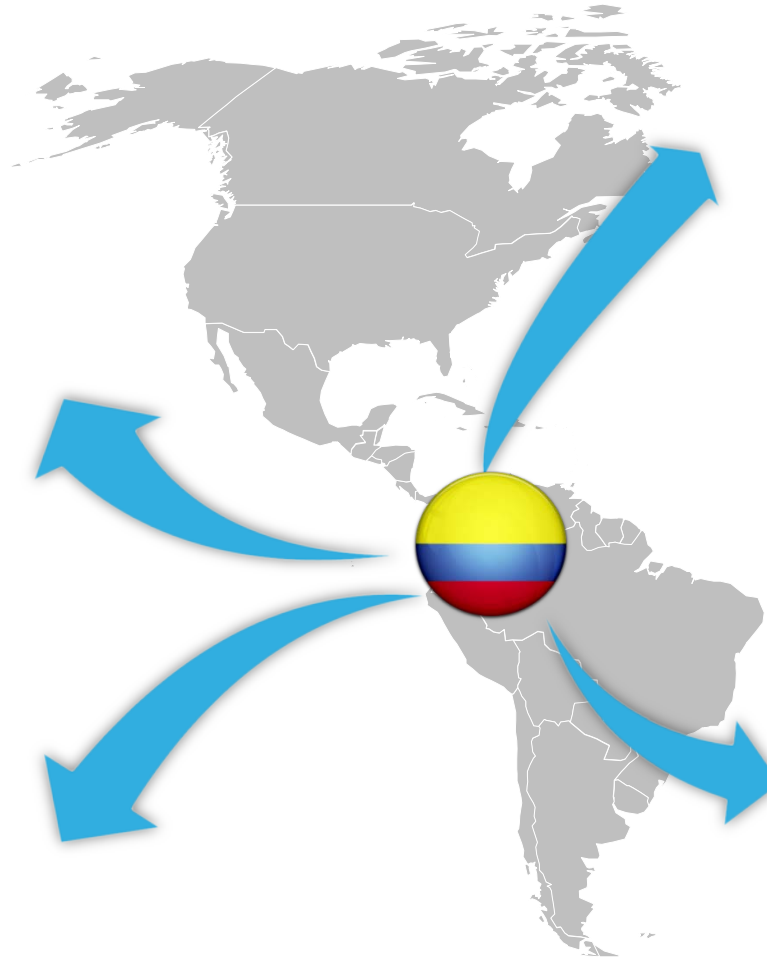
1,200 million dollars

In 2013 the mining industry contributed in taxes and royalties resources to pay:



Coal exports represent 15% of total exports

Source: DANE, ACM, ANM.



An independent survey showed that 73% of those surveyed in mining regions believe that mining is positive for Colombia

Source: Brújula Minera 2015



1 million people benefit from mining industry employment

Mining sector: has moved forward

2004

2013



Weak Institutions

ANM, ANLA, Environment Ministry,
Mining Viceministry



Poor Regulation

Stronger Regulation
PND, RUCOM Decree, Formalization,
Strict environmental licence regulation



Mining and energy contribution
2.6 billion dollars

Mining and energy contribution
16 billion dollars



Royalties
1.1 billion dollars

Royalties
5.4 billion dollars

Source: DANE, DIAN, Minhacienda, Ministry of Mines and Energy calculations.



MINMINAS

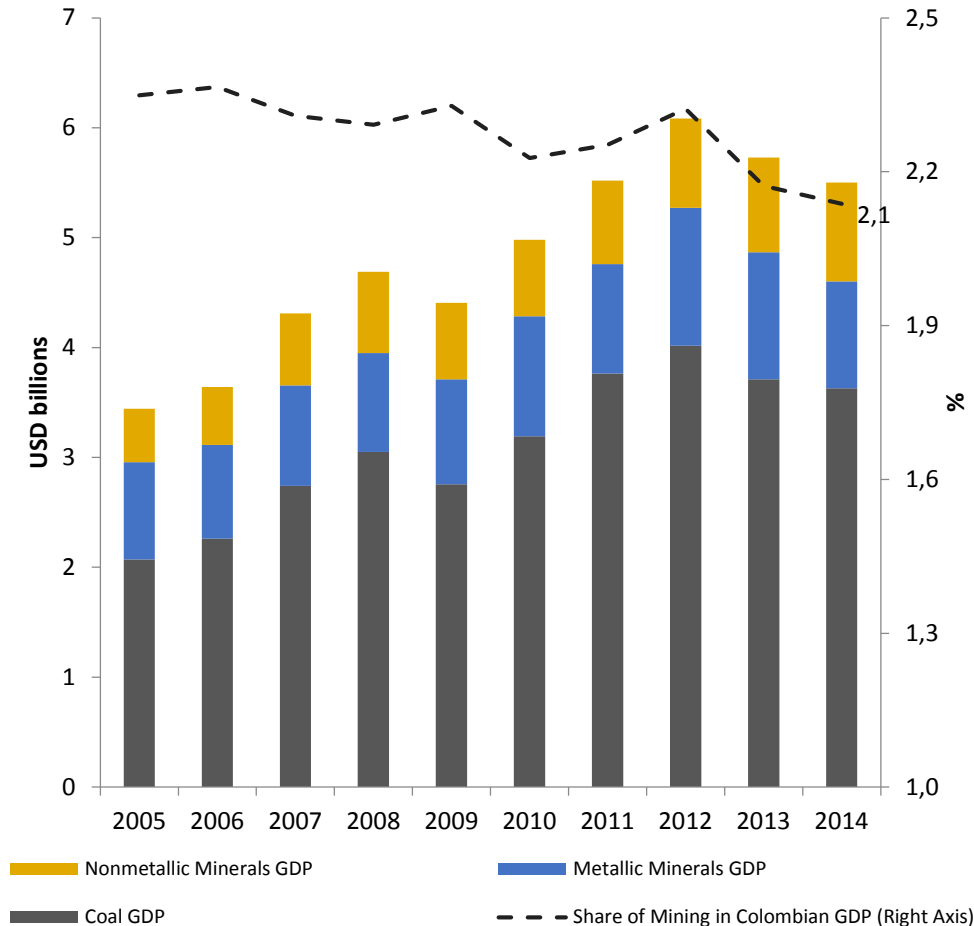
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MINERIA

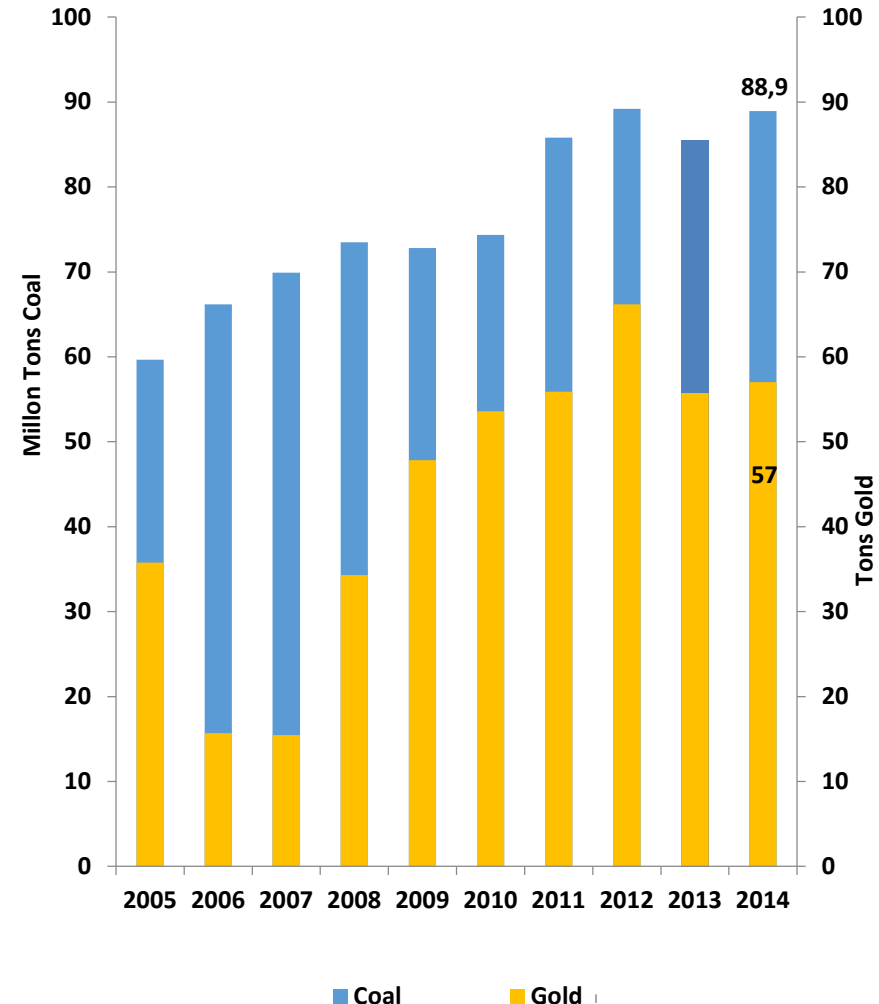


Mining sector has moved forward

Coal, Metallic Minerals and Non-metallic Minerals' GDP

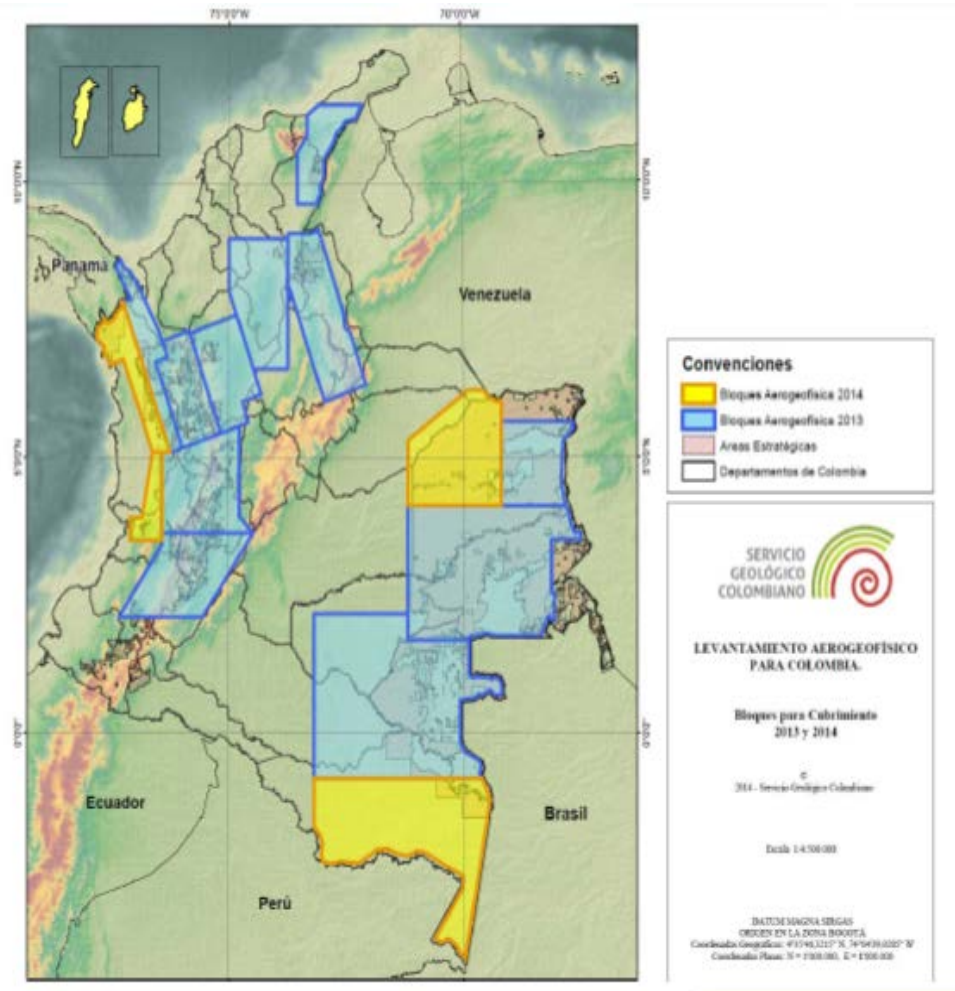


Annual Production of Coal and Gold



Source: Central Bank and ANM

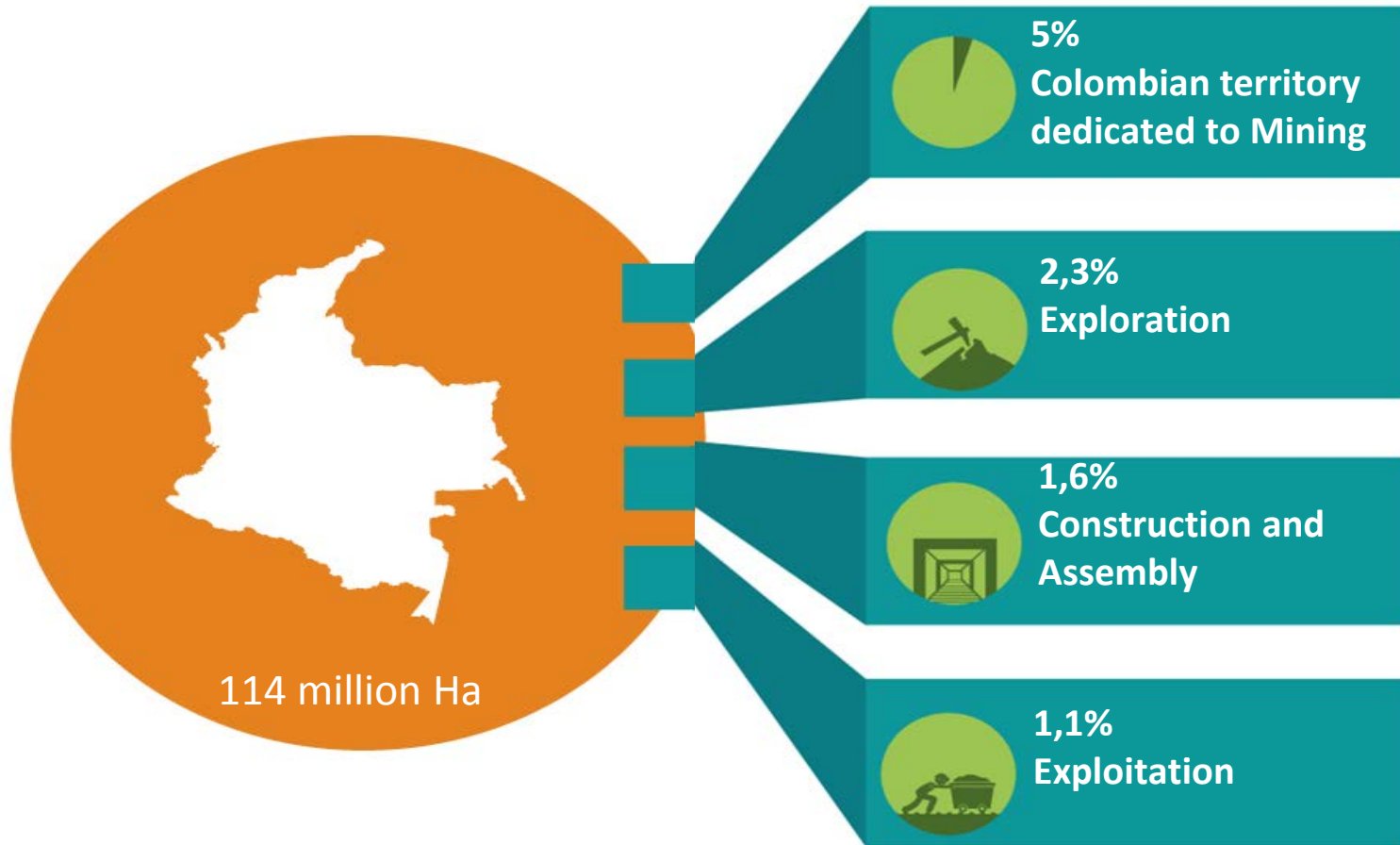
Colombia is advancing towards learning about its true geological potential



Source: Map SGC

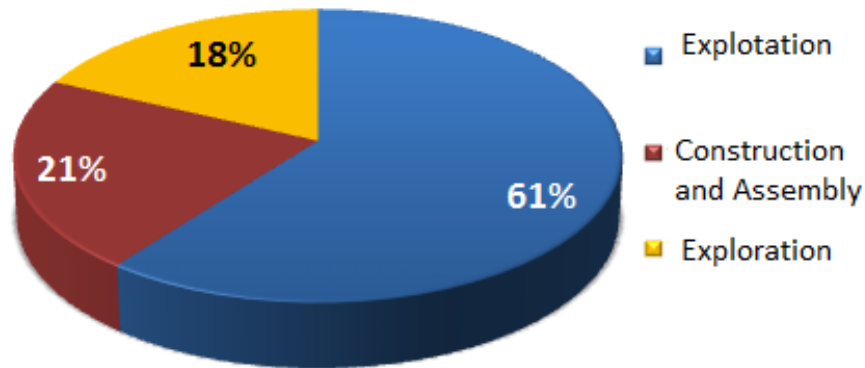
- ❑ We invested **US\$69.5 million** to bring quality and **updated information** to the search for underground resources
- ❑ **Studies for cartography and aero geophysics** as well as geochemical recognition and exploration **are being undertaken**
- ❑ **Geological** cartography - 2010: 48.31% / 2014: 65.78%
- ❑ **Geophysics** - 2010: 4% / 2014: 44% (surpasses strategic mining areas)
- ❑ **Geochemistry** in the Andean region (Strategic Mining Area)

Colombia: Unexplored territory

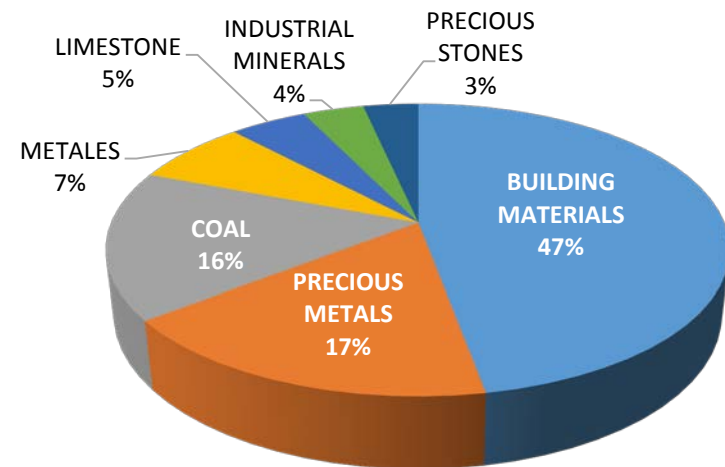


Mining Concession Contracts distribution

Contracts per stage



Contracts per mineral



TOTAL MINING TITLES: 9627

* Source: ANM, April 2015

Three ways to access to a Colombian mining concession

Staking (first come first served)

- Any mineral
- Any free area for mining
- Any individual or company
- General requirements

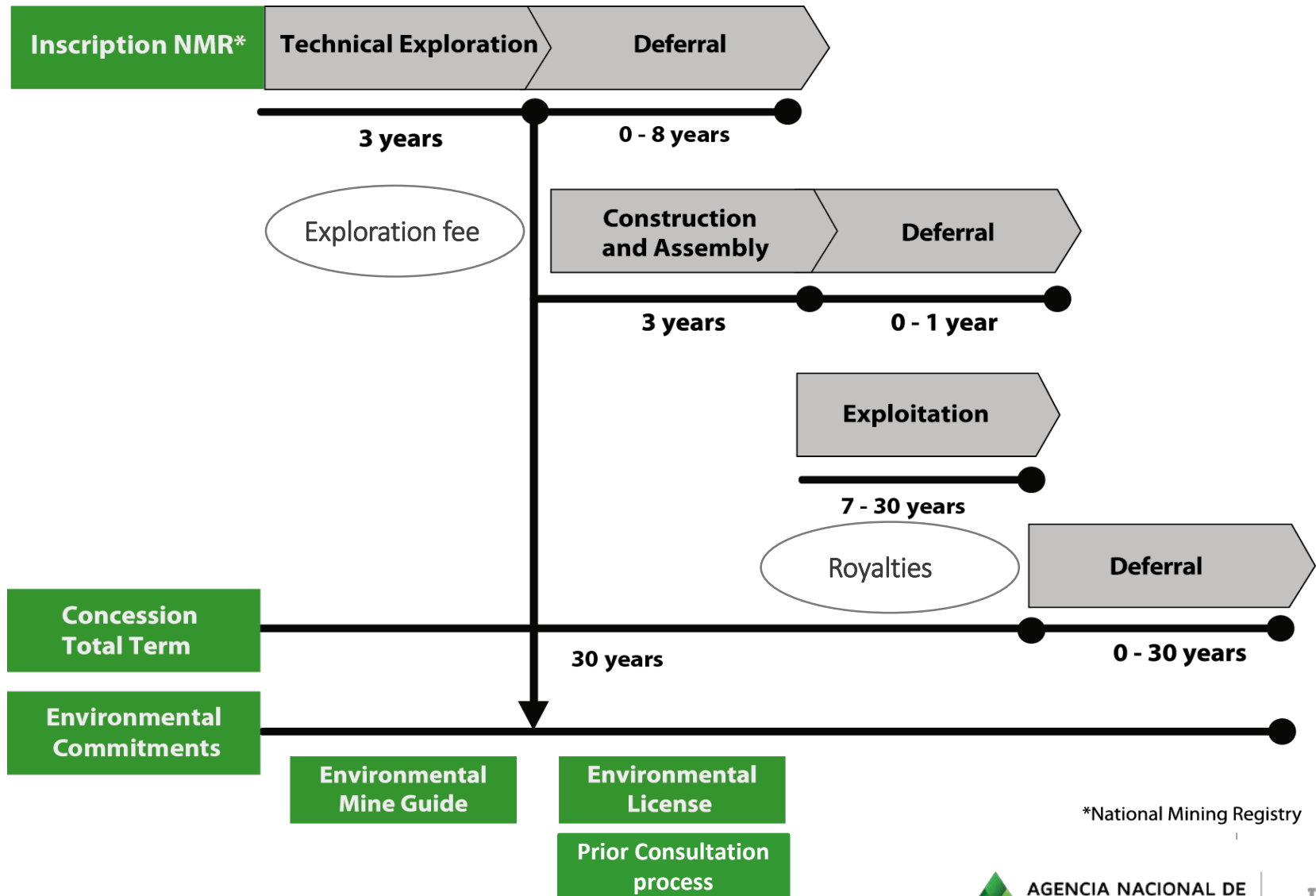
Public Bidding Process

- 11 Strategic minerals
- Strategic Mining Areas
- Company with specific capacity and experience
- Technical, economic and social-environment requirements

Negotiating an existing title

- Mineral rights can be freely transferred between investors

Duration of the Concession Contract





The National Mining Agency

*The Colombian Mining
Authority*

National Mining Agency main functions

Management of mineral resources for and on behalf of the state.

Hold, manage and track concession and mining rights for exploration and development of minerals.

Managing the national mining registry.

Calculate, collect, manage and transfer royalties and compensation.

Promote and encourage development of mining.

Article. 4

IN MINING APPLICATIONS...

2012 - 2013
97% of the
total mining
applications
were solved

588 still
under
assessment

4.271 New
applications
since the re-
opening in
2012.

In the meantime...

IN INSPECTIONS

WIDESPREAD INSPECTION



TRANSPARENCY AND CONSISTENCY

Unique Register of Mineral Traders - RUCOM-

Registro Único de Comercializadores de Minerales



- ✓ Launched January 2015
- ✓ 2,219 Certificates issued
- ✓ Minerals traded since its opening:
 - 14,8 tons of Gold
 - 2,7 tons of Silver
 - 211.069 gr of Platinum



Source: NMA , 27/04 /2015

www.anm.gov.co/?q=Rucom



Thank you!!!

We are more than keen to
work with you