

THE CHAMBER OF MINES



OF ZIMBABWE



Annual Report **2024**

THE CHAMBER OF MINES



OF ZIMBABWE

The Chamber is established for the purpose of promoting, encouraging, protecting and fostering the mining industry and doing everything necessary and advisable for those objects.

THE CHAMBER OF MINES



OF ZIMBABWE

OUR MANDATE

The Chamber of Mines of Zimbabwe was established for the purpose of promoting, encouraging, protecting and fostering the mining industry and doing everything necessary and advisable for these objects.

OUR MISSION



We are committed to taking leadership position in Zimbabwean mining space, working with our members and stakeholders to deliver a safe, enduring, valued and profitable resources industry for Zimbabwe.

OUR VALUES



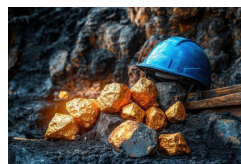
- Understanding
- Passion
- Respect
- Responsive
- Excellence
- Integrity



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The Chamber of Mines of Zimbabwe
2024 Annual Report

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THE CHAMBER OF MINES



OF ZIMBABWE

Chamber of Mines
20 Mount Pleasant Drive, Mount Pleasant, Harare.

President's Foreword



Thomas Gono President

In 2024, domestic economic growth slowed down to 2.0%, from 5.3% in 2023, primarily due to the El Niño-induced drought, which led to a 15% contraction in agricultural output. This decline was further compounded by subdued performance in the mining sector, as weak commodity prices coupled with domestic structural bottlenecks weighed down on the industry.

The combined impact of these factors constrained overall economic activity, dampening growth prospects for the year. In the outlook, the economy is projected to rebound and grow by 6% in 2025 primarily supported by recovery in agriculture (12.8%), electricity generation (10.6%) and mining (5.6%).

The mining sector remained resilient in the face of headwinds, generating a record US\$5.9 billion in export earnings in 2024, from US\$5.4 billion in 2023, largely driven by strong performance in the gold sector. Most key minerals recorded production increases in 2024, with gold (19%), chrome (128%), and coal (18%) showing the largest gains. The growth reflected mining companies' efforts to ramp up production to compensate for revenue losses arising from depressed

commodity prices. In the outlook, the mining sector is expected to grow by 5.6% in 2025, largely on the back of ongoing expansion and new projects, particularly in the gold and coal sectors. The downside risks to the mining sector outlook include foreign currency shortfalls, fragile power supply, capital constraints and high cost of production (characterized by high royalties and high electricity tariffs).

Our mining industry has remained a key pillar of the economy. In 2024, the sector accounted for approximately 75% of national exports, employed over 53,000 people in formal jobs and over 500,000 artisanal and small-scale miners, and contributed more than 18% to government revenue.

During the year under review, the Chamber engaged Authorities on outstanding and emerging Legislative and Policy matters. These included the Amendments to the Mines and Minerals Act, Indigenization and Economic Empowerment Framework, Minerals Development Policy, and Local Content Policy. The Chamber also engaged on other key operational matters affecting the mining industry, particularly in relation to power supply, fiscal and foreign exchange matters.

In line with the Chamber's thrust to improve information symmetry in the mining industry, the Chamber sponsored the 2024 State of the Mining Industry Report which was presented to stakeholders in October 2024. The annual surveys have become a key source of information for shaping policy for the mining industry.

Our industry remains conscious of its social footprint outside the primary mining activity and continues to approach the worker welfare and growth with a receptive mind-set to ensure that the gains made over the past few years in terms of skills development, career growth paths and support for education, health and housing initiatives are not sacrificed in the interest of short-term benefits.

Finally, as President of the Chamber of Mines, I extend my sincere gratitude to all our Members, the Executive Committee, and the Chamber Secretariat for their dedication and unwavering support throughout the year. We remain committed to working with Government and our partners to advance the development of a globally competitive and sustainable mining industry in Zimbabwe.



Office Bearers



Thomas Gono President



John Musekiwa Vice President



Munashe Shava Vice President



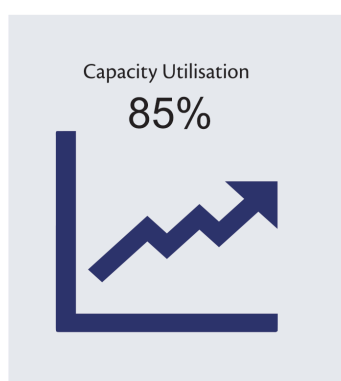
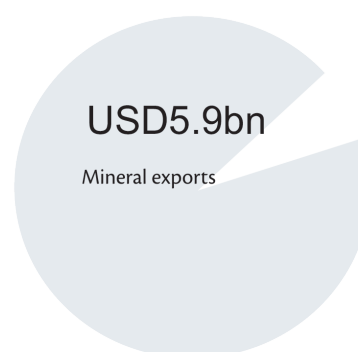
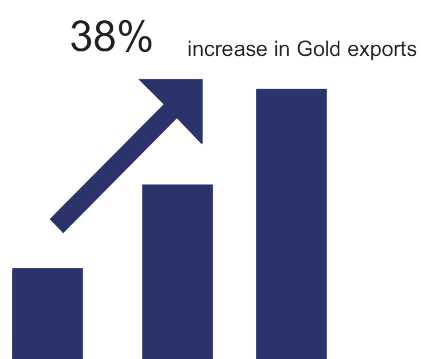
Isaac Kwesu Chief Executive Officer



Colin Chibafa Immediate Past President



Mining Industry 2024 - Key Highlights





Chief Executive Officer's Review



Isaac Kwesu Chief Executive Officer

In terms of the Chamber of Mines of Zimbabwe (the Chamber) Constitution, the Council must meet at least once a year. Accordingly, the Council Meeting and the 83rd Annual General Meeting of the Chamber were held on 28 May 2024 at Victoria Falls Hotel, Victoria Falls. The 2024 Annual Mining Conference was held on 29 May – 30 May 2024, at Elephant Hills, Victoria Falls.

Key Matters in the Mining Industry

During the period under review, the mining industry recorded subdued growth of 2.3% compared to 5.3% in 2023, weighed down by foreign currency shortfalls, exchange rate losses, fragile power supply, capital shortages and a high-cost structure (characterised by high electricity tariffs and suboptimal royalties). The situation was further exacerbated by softening commodity prices, which impacted key sectors such as PGMs and lithium. Notwithstanding, the sector generated a record US\$5.9 billion in export earnings in 2024 up from US\$5.4 in 2023, driven by sterling gold prices which surged by 24% in 2024. In the outlook, the mining sector is projected to grow by 5.6% in 2025 on the back of new and ongoing expansion projects in the gold and coal sectors. Mineral export earnings are expected to exceed US\$ 6 billion in 2025, primarily on bullish gold prices.

Legislative and Policy Matters

Amendments to the Mines and Minerals Act

The Mines and Minerals Act Amendment Bill remained outstanding in 2024. The Chamber continued to engage Government and Parliament

on the matter. Once the Bill is gazetted, stakeholders will have an opportunity to provide input during Parliament public consultations on the matter to ensure that all key mining industry expectations are incorporated into the new Law.

Minerals Development Policy

The comprehensive Mineral Development Policy and sector policies covering gold, PGMs, Coal, Iron and Steel, Diamonds, Semi-precious stones, and base minerals remained outstanding. The Ministry of Mines and Mining Development advised that they are prioritising amendments to the Mines and Minerals Act and will work on the Policy once the Amendments to the Act are finalised.

Amendments to the Gold Trade Act and Precious Stones Act

The Amendments to the Precious Stones Trade Act and the Mining (Management and Safety) Regulations remained outstanding in the period under review. Meanwhile, the Gold Trade Act was amended to provide for a National Gold Refinery (NGR). The main purpose of the amendment is to improve enforcements and compliance that will minimize the smuggling of gold as well as sale of gold by unlicensed buyers.

Mining Cadastre

The development of the computerised Mining Cadastre System remained on course during the year 2024. The Ministry of Mines had been collecting data and coordinates on existing mining titles to assist in the finalisation of the cadastre system. Meanwhile, mining companies have submitted data to the Ministry of Mines on their existing mining titles and coordinates as requested. The Ministry indicated that the cadastre system is expected to be finalised before the end of 2025.

Indigenisation and Economic Empowerment

Regularisation of the policy intent to exempt mining companies from complying with the equity threshold of the Indigenisation and Economic Empowerment Act remained outstanding. Meanwhile, the draft Economic Empowerment Bill was approved by cabinet. Once finalized, the bill will replace the current Indigenisation and Economic Empowerment Act. The thrust of the new Bill is on broader empowerment of communities compared to equity models of Indigenisation. The Chamber has since submitted proposals into the new Bill. Related to the same, the Ministry of Industry and Commerce directed the Chamber of Mines to lead the process of developing the Economic Empowerment Implementation Framework for the mining sector. The Chamber was also nominated on the National Steering Committee driving the Economic Empowerment and Local Content Strategy. The Chamber Joint Suppliers and Producers Committee is the mining industry platform assisting in developing the implementation frameworks of these new policies.



Chief Executive Officer's Review

Fiscal Framework for the Mining Sector

In the year under review, the Chamber of Mines continued to engage the Government for an optimal fiscal framework for the mining industry. The Government, through the 2024 Finance Act, 2025 National Budget and 2025 Finance Act also introduced some changes to the tax framework for the mining industry.

Special Capital Gains Tax (SCGT)

The Government, through the 2025 National Budget Statement removed the retrospective application of the SCGT on transfer of mineral rights. The Minister further announced that the SCGT would apply only to transactions effected after 31 December 2023. However, the tax rate at 20%, the application of the rate at the full value of the asset and not the value added as well as the payment of the SCGT by the buyer remain as areas of concern on the tax. The Chamber continues to engage the Ministry of Finance to further review the SCGT framework and align it to best practice.

Export tax on unbeneficiated Platinum Group Metals

Following successful engagement with the Government, implementation of the export tax on unbeneficiated PGMs was deferred to January 2025, in line with the agreed PGMs beneficiation roadmap. Meanwhile, key beneficiation milestones were achieved by the PGM sector during the year, ensuring that all current and future PGM concentrates will be smelted to matte locally. Already, some PGMs producers without smelters are toll processing their materials at Zimplats. The Chamber facilitated a PGMs beneficiation facility familiarization tour to Zimplats, Implats and Anglo facilities in South Africa. The Chamber continues to engage the Government to ensure that all technical bottlenecks that may undermine the smooth running of the smelters, including power supply, are removed and excess concentrates arising from the technical hitches are allowed to be exported without attracting beneficiation tax.

Export tax on unbeneficiated lithium

In the period under review, Government started charging VAT on lithium that is not beneficiated to lithium carbonate. Following successful Chamber engagements with the Government, lithium producers were allowed to export lithium concentrates without paying the beneficiation tax, pending finalization of engagements with the Ministry of Mines to develop an optimal beneficiation roadmap for the lithium industry. Meanwhile, the lithium producers and Ministry of Mines agreed on lithium sulphate as the minimum beneficiation threshold for Zimbabwean lithium industry, not lithium carbonate as previously announced by the Government. This followed submissions by lithium producers that lithium carbonate is best efficiently produced using brines while lithium sulphate can be economically produced from the country's hard rock lithium resource. The Chamber's Lithium Producers Association and Government are finalizing on timelines for

the construction of the beneficiation facilities.

Royalty

The royalty for platinum, lithium and diamond remained high in 2024 at 7%, 5% and 10% respectively. The Chamber had been engaging the Government for a price linked royalty regime in view of the weak commodity prices that have weighed down on the viability of mining projects. Meanwhile, the Government through the 2025 National Budget announced that royalty is now deemed a tax in terms of the Income Tax Act. This will allow ZIMRA to exempt penalties when producers face challenges resulting in defaults in royalty payments.

Mining Fees and Charges

The mining fees and charges announced through SI 40 of 2022, remained in force during the year. The Chamber had been engaging the Ministry of Mines on the specific fees and charges that are regarded as high and uncompetitive. The Minister of Mines committed to deal with the high fees on a case-by-case bases for affected mines.

Community Development levy

During the period under review, the Community Development Levy remained the same. Meanwhile, Government, through the 2025 National Budget increased the community development levy on lithium, black granite, quarry stones and uncut and cut dimensional stone from 1% to 2% with effect from 1 January 2025. The levy is applied on gross value. The Chamber has been engaging Government to reconsider and reduce the levy as it is impacting negatively on viability of the affected mineral subsectors.

Foreign exchange framework for the mining sector

Foreign exchange retentions

In the year under review, the foreign exchange framework remained the same. Meanwhile, Government, through the 2025 Monetary Policy Statement reduced foreign exchange retentions for exporters from 75%, to 70%. This development came at a time the retentions have been under pressure from suppliers of goods and services including some Government departments that are demanding payments exclusively in foreign currency. With most mining companies undertaking expansion projects and some investing in beneficiation projects, the available forex is inadequate to meet the requirements of mining companies, potentially leading to the suspension of key projects impacting negatively on the prospects for the mining industry. The Chamber continues to engage Government and Reserve Bank of Zimbabwe to align retentions to mining companies' foreign exchange requirements.

Loss of value on the surrender portion of export proceeds

For the greater part of 2024, widening disparities between the official and parallel market exchange rates resulted in mining companies

Chief Executive Officer's Review

experiencing loss of value on the surrender portion of export proceeds. Mining companies utilize the ZwG balances on goods and services that are priced at the parallel market rate, at a time the surrender portion is liquidated at the official rate. This loss of value is akin to an additional tax on exporters as it results in reduction in buying power for the 25% portion received in ZwG. The Chamber continued to engage authorities to find home for the ZwG balances as well for a fair compensation of the surrender portion.

Payments for gold delivered to Fidelity Printers and Refiners

The payment situation for gold delivered to Fidelity Gold Refiners generally improved in 2024 with most deliveries being paid in time. The Chamber of Mines continues to monitor the situation and engage for timeous payment for gold deliveries.

Use it/ Lose it Principle

During 2024, the Ministry of Mines continued to enforce the “use it or lose it” principle as enshrined in the Mines and Minerals Act. The Chamber is encouraging members to ensure that their mining titles are fully inspected as provided by the Act.

Rural District Council (RDC) Levies

During the period under review, mining companies continued to face high and varying RDC Unit tax levies. The disparity in charges across local authorities continued to be an area of concern. Following Chamber engagements with the Minister of Mines, the Minister committed to work with the Minister of Local Government to resolve this matter.

Environmental Management Matters

The Chamber of Mines proposed Mine Closure Rehabilitation Insurance product was taken over by Government and is now under consideration as part of the amendments to the Mines and Minerals Act.

Membership

Office Bearers

In terms of the Constitution of the Chamber, Council elected the following as office bearers for the year 2024 /2025:

President	T Gono
Vice President	J Musekiwa
Vice President	M Shava

Executive Committee

Council appointed the Executive Committee for 2024 -2025, which comprised the following:

President	T Gono
Vice President	J Musekiwa
Vice President	M Shava
Past President	C Chibafa
Chief Executive Officer	I Kwesu

a) Class A Representatives	Representative	Alternate
Anglo American Corporation	C Chibafa	P Mangwengwende
Bikita Minerals	X Gong	H Makuwa
Caledonia	V Gapare	M Learmonth
Bulawayo Mining Co. (How Mine)	K Chiota	T Dafana
Bravura	S Mugadza	O Ojo
Dallaglio	J Beare	T Munyurwa
Freda Rebecca	P Maseva-	A Chinyere
Gold Mine	Shayawabaya	
Great Dyke Resources	M Shava	H Nyamagono
Hwange Colliery	W Gambiza	B Jirah
Mimosa Mining Company	F Makoni	E Nerwande
MMCZ	N J Moyo	G Nenzou
New Dawn Mining	Q Nkomo	S Nyabadza
Zimasco	J Musekiwa	S Baipai
Zimplats	A Mhembere	S Segula
ZCDC	D Mtombeni	A Mangoma

b) Class B Members	Representatives
John Mack & Co.	A R Watson
Kamativi Mining Company	Y JianGuo
Shamva Mine	G Mapakame
Pan African Mining	A Darare
Todal Mining	A Munshi

c) Class C Members	
Mwami Resources	L Khumalo
Old Nic Mine	G A Muzvidzwa

d) Class D Members	
Golden Reef Mining	T Gono



Chief Executive Officer's Review

e) Class E Members

KW Blasting

A S Ndlovu

f) Class F Members

Dimensional Stones

E Muvuro

g) Class G Members

Vacant

h) Chairmen of Committees

Economic Development and Investment Committee

C Chibafa

Electricity and Power Development Committee

J Musekiwa

Finance Committee

F Makoni

Gold Producer

Q Nkomo

Indigenisation Committee

M Shava

Labour committee

T Gono

Legal Matters (General) Committee

P Mangwengwende

SHE Committee

A Chinyere

Suppliers Committee

A Mhembere

Platinum Producers Committee

A Mhembere

Coal Producers Committee

L Masimura

Co-opted Members

Maximind

K Bingwa

Senior Management/Secretariat

Chief Executive Officer

I Kwesu

Technical Affairs Manager

D D Matyanga

Economic Affairs Manager

P Chitsuro

Finance Officer

A Chimunye

A photograph of a yellow hard hat with a black headlamp, resting on a pile of dark, jagged rocks. To the left of the hard hat is a small red lantern with a yellow flame. The scene is dimly lit, with the hard hat and lantern providing the main light sources.

Safety, Health and Environment



Safety, Health and Environment

The Chamber of Mines was actively engaged in SHE activities to protect the health and safety of employees, contractors and communities, seeking to minimise the impact of operations on the environment biodiversity through all stages of development, and continuous improvement of SHE systems.

Occupational Safety

The mining industry reported 143 fatal accidents during the period January to December 2024 which resulted in 186 fatalities. The fatal accidents recorded in 2024 were 33% less than those recorded in 2023. Large scale mines accounted for 10% of total fatal accidents and 13% of fatalities, whereas small scale and illegal mines accounted for a higher proportion, with 90% of fatal accidents and 87% of fatalities, highlighting a notable disparity in safety outcomes.

Fatal accidents comparison by affiliation and occurrence (Underground/Surface)

Category	Accidents	Fatalities	Underground	Surface
Large scale Mines	14	24	10	4
Small and Medium Scale Mines	120	152	116	4
Illegal Mines	9	10	9	0
2024 Total	143	186	135	8

Source: Ministry of Mines and Mining Development

The Ministry of Mines implemented training and awareness programs for Artisanal small-scale mining, with a view to improving safety in mining operations. The Ministry of Mines' initiative was aimed at improving the working conditions at artisanal and small-scale mines to reduce accidents. In addition, the Ministry conducted inspections (1415) across all provinces to check compliance of operations with provisions of mining laws and regulations.

Cause of fatal accidents

Fall of Ground accidents continue to be the leading cause of fatal accidents in Zimbabwe's mining industry, accounting for 43% of all incidents. To reduce falls of ground related accidents, the Chamber SHE Committee enhanced the weight of fall of ground management systems in the SHE audits protocol. As a result, there were significant

reduction in the number of accidents recorded in 2024 compared to 2023. Notable exceptions are falling down excavations and gassing accidents.

2023 and 2024 Fatal Accidents by source/cause.

Cause	2023	2024
	Number of Accidents	Number of Accidents
Fall of Ground	100	61
Falling Down Excavations	12	20
Gassing	17	14
Machinery	19	9
Explosives	16	3
Shaft Accidents	23	17
Electrocution	4	1
Trucks and Trimming	2	0
Sundry	11	7
Accidental Detonation	0	2
Trapped in T. Way	0	1
Drowning	0	2
Fall from height	0	1
Falling into shaft	0	2
Illegal Mining	0	2
Hoist rope failure	0	1
Total	212	143

SHE Audits

The 2024 SHE audits were successfully completed. Audit teams included officials from EMA, SAZ and Ministry of Mines together with SHE practitioners from member mines. The audits prioritized legal compliance, safety performance and ESG. Five mining operations scored above 90% in the audits with the least score of 53% having been recorded. A report on the audits was compiled and circulated to mining companies for their use in improving their SHE systems. The report identified critical areas for improvement, notably ESG where 90% of companies are yet to establish formal ESG policies and frameworks. All the audited entities reported receiving value from the audits.

Environmental Management

The industry reported no major environmental incidents, and the Safety, Health, and Environment (SHE) audits have played a key role

Safety, Health and Environment

in fostering a culture of environmental responsibility among members, driving continuous improvement and adherence to best practices. The 2024 Environmental Performance Index report (Yale Center for Environmental Law and Policy & Columbia University's Center for International Earth Science Information Network, 2024) highlights the challenges faced by Zimbabwe in environmental management. The country ranked 53rd globally, with a score of 51.6, indicating a moderate level of environmental performance.

Mine Rescue

The Mine Rescue Association was active during the year. The Association responded to 11 call out incidents during the year. All these incidents involved rescue at small scale mines. The major risk in mine rescue is the wide geographical spread of teams that result in long response times in most calls. 10 proto teams and 4 fresh air teams were active during the year. There is growing interest from members to establish mine rescue teams with three mines having approached the Mine Rescue Association for help and support.

The 2024 Mine Rescue Competitions were held on October 25th at Zimplats Ngwarati. The event featured two distinct categories Proto Teams and Fresh Air Teams, which competed separately. A total of eight teams participated in the Proto section, while four teams contested the Fresh Air category. Below are the results of the competition.

2024 Mine rescue results

	Proto teams	Fresh air teams
Position 1	Zimplats Ngezi	Zimplats SMC
Position 2	Mimosa Mining Company	Blanket Mine
Position 3:	How Mine	Shamva Mine

The Chamber of Mines will continue promoting excellence in mine rescue operations, ensuring the safety and well-being of mining professionals. Attempts are underway to participate at the global Mine rescue event schedule for Zambia.

First Aid competitions

The 2024 First Aid Final Competitions were held on September 27th at Mimosa Mining Company, with 10 Underground teams and 10 Surface teams competing. The results of the competitions are as provided below.

2024 First aid finals results

	Surface teams	Underground teams
Position 1	Mimosa Mining Company	Mimosa Mining company
Position 2	ZCDC Chiadzwa	Zimplats Bimha
Position 3:	ZCDC Chimanimani	Zimplats Mupani





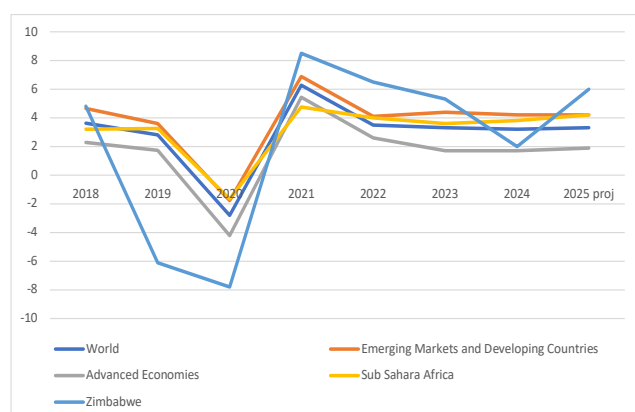
Economic Affairs Review

Economic Affairs Review

The Global Economy and Outlook

In 2024, global economic growth eased to 3.2% from 3.3% in 2023, reflecting weaker economic activity across advanced and emerging markets. This was driven by persistent geopolitical tensions, tight financial conditions, heightened policy shifts, and subdued commodity markets. In the outlook for 2025, global growth is projected to recover modestly to 3.3%, albeit relatively subdued below the historical average of 3.7% (2000–2019). Notwithstanding, the pace of global growth remains insufficient to fully offset the economic damage caused by successive negative shocks in recent years, with the most emerging and developing economies facing the greatest challenges. Meanwhile, global headline inflation is projected to ease to 4.2% in 2025 from 5.8% in 2024, supported by tight monetary policies. Risks to the global economic outlook remain tilted to the downside, with elevated policy uncertainty, weak commodity markets, geopolitical tensions, adverse trade policy shifts and climate-related disruptions posing significant threats.

Global Growth and Outlook (%)



Source: IMF, World Economic Outlook Database, Ministry of Finance and Economic Development

Commodity price outlook

Prices for most key minerals were depressed in 2024 due to a sluggish global economic recovery, weak Chinese industrial sector and persistent geopolitical tensions. Most key minerals, except for gold, experienced further price declines in 2024 compared to 2023. Reflecting subdued global economic growth outlook, improving supply conditions, energy revolution and geopolitical tensions, commodity prices are expected to remain weak in 2025. On average, commodity prices are projected

to reach their lowest levels since 2020, albeit still nearly 30% higher than the 2015-2019 average.

Price forecast for selected commodities

US\$	2023	2024	2025f
Gold/ounce	1,950	2,400	3,300
Platinum/ounce	966	955	1,050
Palladium/ounce	1,395	1,300	1,100
Rhodium/ounce	5,788	4,600	4,400
Nickel/ton	21,500	16,800	15,200
Chrome	227	241	255
Lithium	20,500	12,500	10,400
Coal	173	136	110

Source: World Bank, Trading Economics, Kitco, Chamber of Mines of Zimbabwe

Zimbabwe Economic Outlook

In 2024, Zimbabwe's economic growth eased to 2%, from 5.3% in 2023, primarily due to the El Niño-induced drought that led to a -15% contraction in the agriculture output. This decline was further compounded by subdued performance in the mining sector, as weak commodity prices coupled with domestic structural bottlenecks weighed down on the mining sector. The combined impact of these factors constrained overall economic activity, dampening growth prospects for the year. In the outlook, the economy is projected to rebound and grow by 6% in 2025 primarily supported by recovery in agriculture (12.8%), electricity generation (10.6%) and mining (5.6%).

Sectoral GDP Growth (%)

	2023	2024	2025f
Real GDP growth	5.3	2	6
Agriculture, Hunting and Fishing and forestry	6.3	-15	12.8
Mining and quarrying	5.3	2.3	5.6
Manufacturing	2.1	2.0	1.6
Construction	1.9	4.0	3.3
Wholesale and retail trade; repair of motor vehicles	6.6	5.1	5.4

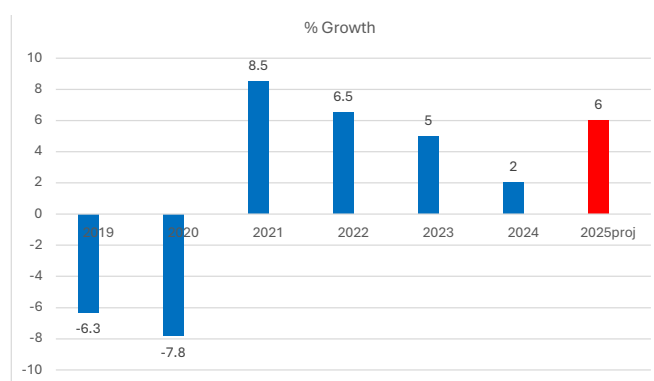
Source: Ministry of Finance and Economic Development



Economic Affairs Review

Risks to the economic outlook remain on the downside, with fragile power supply, foreign currency constraints, exchange rate volatility and increased dollarisation posing significant threats to growth prospects in 2025.

Economic growth projections



Source: ZIMSTAT, Ministry of Finance and Economic Development

Money supply, exchange rate and inflation

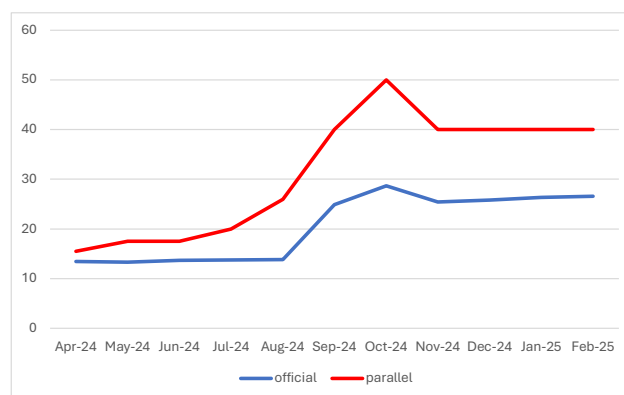
Money supply developments

In April 2024, the Government launched the ZiG currency and adopted a tight monetary policy stance, which saw broad money growth (local currency component) decline from 16% in May 2024 to 9% in December 2024. Notwithstanding the overall moderation in growth rates, the nominal value of broad money more than doubled, increasing from ZiG 41.03 billion in May to ZiG 87.45 billion by December 2024. This surge was primarily attributed to revaluation gains following the devaluation of the official exchange rate in September 2024. By the end of the year, foreign currency deposits constituted approximately 83% of the broad money supply, highlighting the economy's continued reliance on foreign currencies.

Exchange rate developments

During the period under review, the exchange rate market was marked by significant volatility. Following the decline in broad money supply growth, the official exchange rate stabilized during the second quarter of the year. Notwithstanding, the parallel market exchange rate continued to depreciate, prompting the RBZ to devalue ZiG by around 43% in September 2024. Following the devaluation, the exchange rate stabilized for the remainder of the year, with parallel market premiums shrinking from as high as 100% in September 2024 to around 35% by December 2024.

Interbank and Parallel Exchange Rates

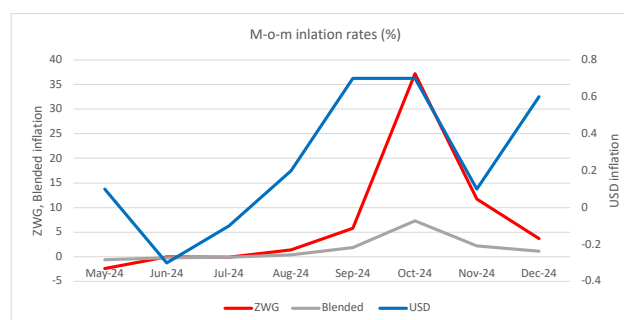


Source : RBZ

Inflation developments

The economy experienced inflationary pressures in the first half of the year, driven by high money supply growth and exchange rate volatility. Notwithstanding the introduction of the ZiG, rebasing of inflation metrics, and tighter monetary policy measures, inflation persisted due to widening disparities between official-parallel market exchange rates. In response, the RBZ devalued the ZiG in September 2024 and further tightened the monetary policy, helping reduce monthly inflation to 1.1% by December from a peak of 7.5% in October, while annual inflation eased to 2.5% from 4.5%. Key risks to the inflation outlook include high money supply growth (emanating from wage pressures and infrastructure funding) as well as exchange rate depreciation due to anticipated foreign currency shortfalls.

2024 inflation developments



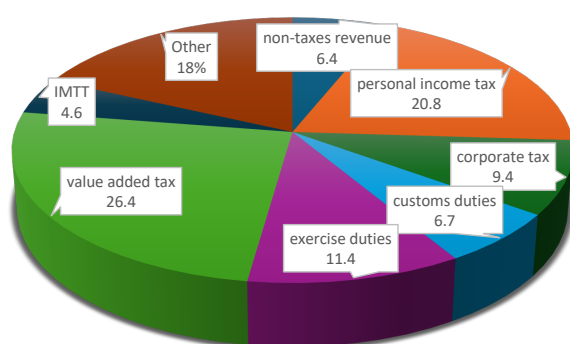
Source: RBZ

Economic Affairs Review

Fiscal Budget Performance

Cumulative government revenue for the year amounted to ZiG 62.4 billion, while expenditures totaled ZiG 66.5 billion resulting in a budget deficit of ZiG 4.1 billion. The deficit was largely financed by domestic borrowing. Revenue collections comprised of tax revenue of ZiG 58.4 billion (93.6% of total revenue) and non-tax revenue of ZiG 4 billion (6.4% of total revenue).

Sources of 2024 Fiscal Revenue



Source: MoFED, IP(2024)

External sector developments

Aggregate national exports for 2024 increased to US\$7.9 billion, up from US\$7.3 billion in 2023. Mineral exports, which accounted for the largest share of merchandise exports (75%), grew by 7.8% to US\$5.9 billion in 2024, compared to US\$5.4 billion in 2023. Gold exports recorded a notable increase of 37%, rising to US\$2.5 billion in 2024 from US\$1.8 billion in 2023. Merchandise imports reached US\$9.1 billion in 2024, up from US\$8.7 billion in 2023, resulting in a trade deficit of US\$1.3 billion. In the outlook, export earnings are expected to increase, supported by a recovery in agriculture and strong performance in the mining sector on the back of new and expansion projects.



A full-page photograph of a miner in a dark, underground tunnel. The miner is wearing a brown protective suit, a white hard hat with a headlamp, and heavy gloves. They are bent over, working on a large, complex mechanical component, possibly a drill bit or a part of a larger machine. The background shows the rough, rocky walls of the tunnel and some wooden support beams. The lighting is dim, with the primary light source being the miner's headlamp.

Mining Affairs Review

Mining Affairs Review

Overview

During the period under review, the operating environment for the mining industry was predominantly challenging on the back of weak commodity prices, increasing cost of production (emanating from high electricity tariffs, high royalty for some minerals, exchange rate losses and high cost of capital), fragile power supply, foreign currency shortfalls and capital shortages. These challenges weighed down the performance of the mining industry. Most mineral sub sectors operated below full potential. Despite the above challenges, most key minerals recorded production increases in 2024, reflecting mining companies desire to ramp up production to compensate revenue losses arising from depressed commodity prices. Gold, PGMs and chrome ore recorded output increases in 2024, while lithium and , gold, and PGMs recorded the highest production increases. Key sectors that recorded declines in output included lithium and phosphate.

Production performance for selected minerals 2023 - 2024

	2023	2024	% Change
Gold(kgs)	32,391	38,454	19%
Platinum(kgs)	19,180	18,911	-1.4%
Palladium(kgs)	15,857	15,603	-2%
Rhodium	1,672	1,704	2%
Diamond(cts)	5,098,207	5,146,025	1%
Chrome (MT)	1,077,353	2,454,662	128%
Nickel (MT)	17,784	15,128	-15%
Coal (MT)	4,898,734	5,797,525	18%
Lithium (MT)	5,099,454	2,471,688	-52%
Copper (MT)	14,221	12,950	-9%

Source: Ministry of Mines

In the outlook for 2025, mineral output is expected to grow by a weighted average of 7% underpinned by expansion of existing projects and ramp up at new establishments. All key minerals are projected to record output increases in 2025 compared to 2024.

Production forecast for selected minerals

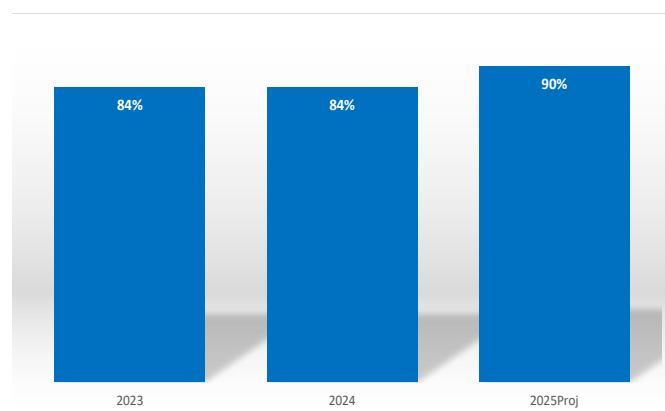
	2024	2025f	% change
Gold (kg)	38,454	42,000	9%
Platinum(kg)	18,911	19,600	4%
Palladium(kg)	15,603	16,000	3%
Nickel (t)	15,128	15,580	3%
Diamonds (crt)	5,146,025	5,506,220	7%
Coal(t)	5,797,525	6,377,200	10%
Chrome	2,454,662	2,700,000	10%
Lithium(mt)	2,471,688	3,262,600	32%

Notes: f- Chamber forecast

Capacity utilization

Average capacity utilization in the mining industry remained at 84% in 2024, as was the case for 2023. Increases in capacity utilization were noted in subsectors such as gold, chrome and diamonds, while the coal sector experienced a decline. Factors that constrained full capacity utilization in some mineral subsectors included electricity outages, foreign exchange shortfalls, capital shortages and high operating costs. In 2025, average capacity utilization is expected to increase to 90% benefitting from anticipated production ramp up across all mineral subsectors.

Average capacity utilization for the mining industry

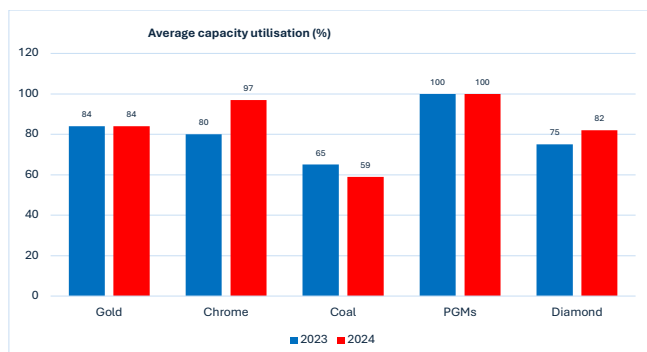


Source: 2024 State of Mining Industry Report



Mining Affairs Review

Average capacity utilization for selected minerals

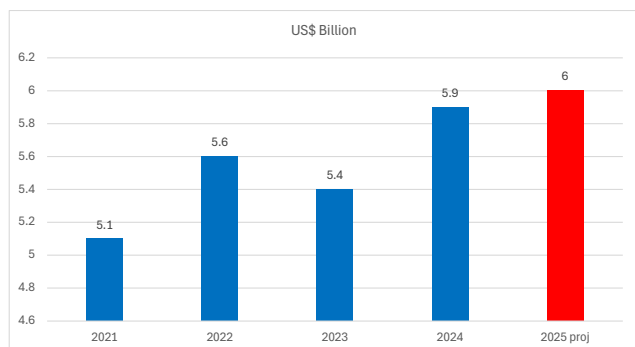


Source: 2024 State of Mining Industry Report

Mineral Exports

Mineral exports increased by 9% to reach US\$5.9 billion in 2024, compared to US\$5.4 billion in 2023, largely driven by strong performance in the gold sector. In 2025, mineral exports are expected to surpass US\$6 billion, underpinned by anticipated increases in mineral output and some recovery in prices for key minerals.

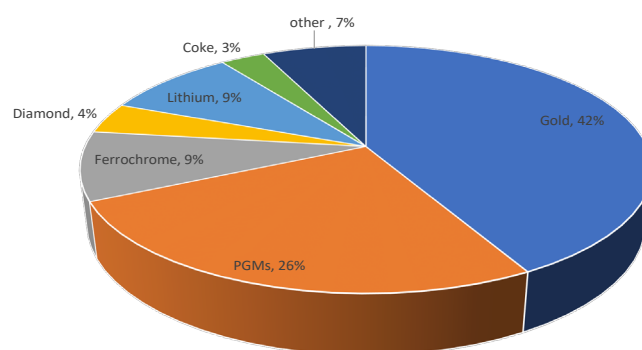
Mineral Exports (US\$ billion)



Source: RBZ and Chamber of Mines

Contribution of Mining Sector to National Export Earnings. Mineral exports, at US\$5.9 billion accounted for 75% of national exports in 2024. Gold exports which constituted the largest share of mineral exports increased by 37% to US\$ 2.5 billion in 2024 from US\$1.8 billion in 2023. The contribution of mineral exports to the economy has progressively increased from 56% in 2011 to average around 78% of the past 5 years.

Distribution of mineral revenue (2024)



Source: RBZ

Concentration ratio of the top minerals

The mining industry remained less diversified with the top 3 minerals contributing 85% of mineral exports in 2024, while the top 3 mineral categories (gold, PGMs and lithium) accounted for 75% in 2023.

	2021	2022	2023	2024
Top 5 mineral	88%	86%	85%	90%
Top 3 mineral	83%	82%	75%	77%

Source: RBZ; Chamber of Mines

Gold

Gold output reached a record high of 38.5 tons in 2024, up from 32.4 tons in 2023, driven by expansion projects and favorable prices. The government's reversal of the 15% Value Added Tax (VAT) on gold transactions also boosted gold deliveries in 2024.

Gold production by class

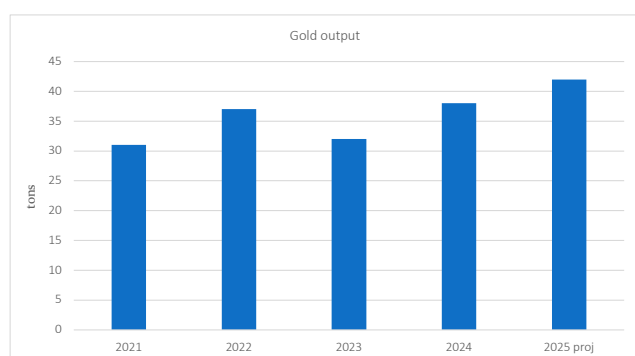
	2023	2024	% Change
Large-scale producers	11,445	12,741	11%
Small-scale producers	18,662	23,567	26%
Secondary producers	2,285	2,147	-6%
Total gold production	32,391	38,454	19%

Source: Ministry of Mines

Mining Affairs Review

In the outlook, gold output is projected to surpass 42 tons in 2025, driven by ongoing expansion projects and favorable prices. Gold market conditions are expected to remain bullish, supported by safe-haven demand amid heightened geopolitical tensions, sustained central bank purchases, and U.S. monetary easing.

Annual gold production



Source: Ministry of Mines

Projects expected to underpin gold output in the outlook

Freda Rebecca mine

Freda Rebecca is planning to spend US\$13.8 million in 2025 on tailings storage facilities extensions and exploration. The project is expected to sustain the mine's current operations.

Shamva Gold Mine

Shamva Gold Mine is expecting to spend more than US\$560,000 on exploration drilling activities around its mine. This investment is expected to contribute to increasing production, aiming to reach a target of 200kt per month.

Bulawayo Mining Company

Bulawayo Mining Company is planning to spend USD\$ 4.5 million on expansion projects. The expansion is expected to ramp up the current level of production by 18%.

Eureka Gold Mine

Eureka Gold Mine is expected to spend about USD\$4 million on tailings storage facilities, which is expected to sustain current production.

Pickstone and Peerless

Pickstone and Peerless are planning to spend about USD\$15 million on exploration and expansion projects, and this investment is expected to increase their level of production by 26%.

Golden Valley

Golden Valley is expected to invest USD\$600,000 in plant and solar, which is expected to increase current production levels.

Blanket Mine

Blanket Mine is expected to spend USD\$27 million on expansion projects to increase current levels of production by 5%.

Platinum Group Metals (PGMs)

In 2024, PGMs production declined on the back of power supply constraints, subdued prices which curtailed cashflows and high-cost structure (largely propped up by high royalty of 7% and high electricity tariff). Platinum output fell to 18,911 kg in 2024, from 19,180 kg in 2023, while palladium production declined to 15,603 kg from 15,857 kg over the same period. Power supply challenges resulted in one of the producers suspending smelting operations as they were directed to reduce their power demand from the national grid.

Platinum Group Metals Output

	2020	2021	2022	2023	2024
Platinum/kg	15,004	14,732	16,460	19,180	18,911
Palladium/kg	12,890	12,619	13,935	15,857	15,603
Rhodium/kg	1,367	1,334	1,461	1,672	1,704
Ruthenium/kg	1,026	1,249	1,341	1,330	1,612

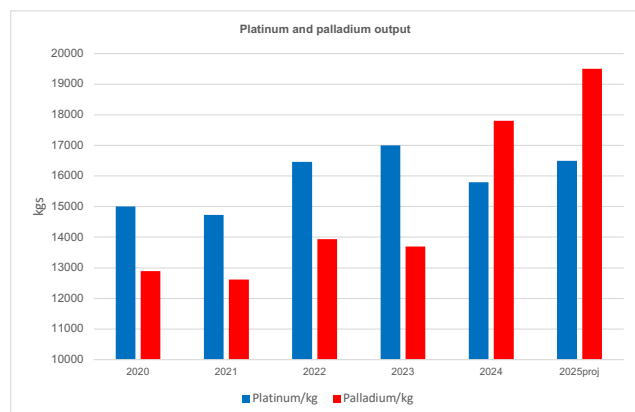
Source: Ministry of Mines

In the outlook, platinum output is projected to reach 19.6 tonnes in 2025, up from 18.9 tonnes in 2024, while palladium is projected to reach 16 tonnes in 2025, a 3% increase from 15.6 tonnes in 2024. Capacity utilization in the PGMs sector is projected to remain around 100%, with all three operating mines (Zimplats, Mimosa, and Unki) planning to operate at near full capacity, as was the case in 2024.



Mining Affairs Review

Platinum and palladium output (kg)



Source: Ministry of Mines

Capital projects expected to boost PGMs output in the outlook

Zimplats

Zimplats is planning to investing US\$190 million to refurbish its mothballed Base Metal Refinery (BMR) and undertake several key projects, that are expected to be completed between 2025 and 2028.

Mimosa mining company

Mimosa Mining Company is planning to spend USD\$2.1 million on the development of tailings storage facilities for life-of-mine extension.

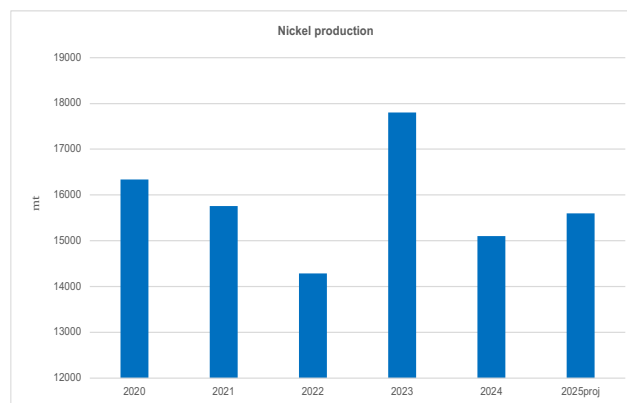
Unki Mines

Unki Mines are planning to spend USD\$500,000 on expanding its open-pit mining and USD \$200,000 on solar projects investment, which will boost production by 1%.

Nickel

In 2024, nickel production declined by 15% to 15,128 tons from 17,784 tons in 2023. The primary producer, Bindura Nickel Corporation, has remained under care and maintenance since 2023 due to equipment failure, low prices, and a high-cost structure, particularly the high cost of electricity. As a result, all nickel output is by product of PGMs production. In the outlook, nickel output is projected to increase by 3%, reaching approximately 15,600 metric tons in 2025, up from 15,128 metric tons in 2024, on the back of anticipated improvements in activities in the PGMs sector.

Nickel Output

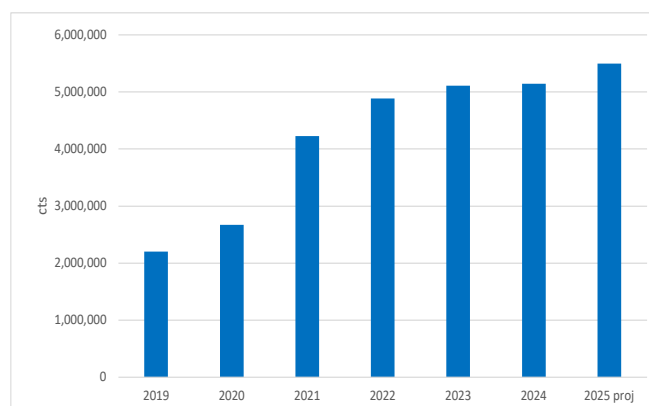


Source: Ministry of Mine, Chamber of Mines

Diamonds

In 2024, diamond production remained largely flat at 5.1 million carats, almost the same production level recorded in 2023. ZCDC continued to be the dominant diamond producer, contributing approximately 87% of total production. In the outlook for 2025, diamond output is expected to reach around 5.5 million carats. This growth is expected to be driven by ongoing expansion projects and the anticipated completion of the deep boiling facility, which is expected to improve diamond output.

Diamond output



Source, Ministry of Mines, Chamber of Mines

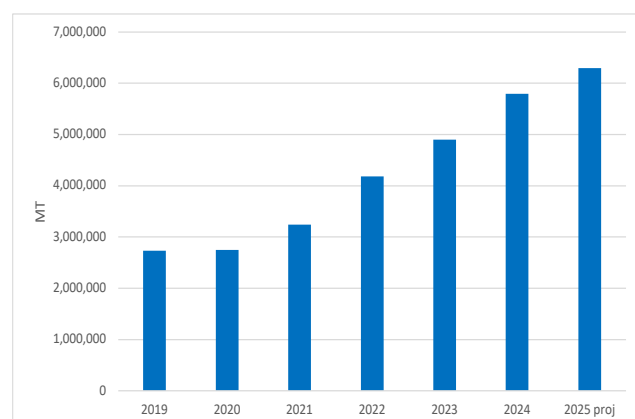


Mining Affairs Review

Coal

Coal output surged to 5.8 million metric tons in 2024 compared to the 4.9 million metric tons in 2023, benefiting from improved activities from the current producers including Hwange Colliery, Zambezi Gas, and Makomo resources. Coal output is projected to increase to 6.3 million tons in 2025, benefiting from ongoing initiatives to increase production and efficiencies at current mining operations.

Coal output



Source: Ministry of Mines, Chamber of Mines

Projects expected to boost output in the Coal industry

Zambezi Gas

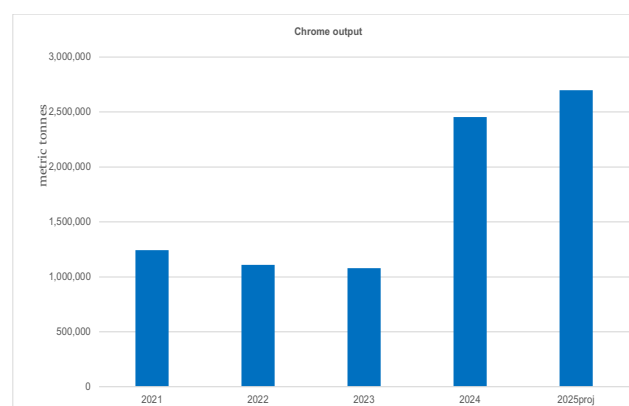
Zambezi Gas is planning to invest \$450,000 in a coke oven, and its production is expected to increase by 60%. The project is expected to be completed by October 2025.

Hwange colliery

Hwange Colliery is planning to invest \$17 million on Unit 3 main maintenance, which is expected to increase production by 13%. The maintenance is expected to be completed in 2025. The mine is also planning to invest \$3.1 million in battery oven resuscitation, which will boost production by 100%.

Chrome

In 2024, chrome ore production increased to 2.5 million metric tons, from the 1.07 million metric tons produced in 2023, largely driven by improved activities at Zimasco and other producers, who benefited from the special electricity tariff. Chrome production has seen revitalization, particularly through the restoration of ZimAlloy's high-carbon ferrochrome plant in Gweru. In 2025, chrome output is expected to reach 2.7 million metric tons in 2025.



Source: Ministry of Mines, CoMZ forecasts

Projects expected to boost output Ferrochrome

Zimasco

Zimasco is planning to invest approximately \$3 million in mine exploration to sustain production feed. Additionally, it will invest around \$43,243 in the 19m01 Ngezi 3D 24 underground mine as part of a strategic initiative to ensure a steady supply of mineral resources, aiming for a monthly production of 2,500 tons of lumpy ore. These projects are expected to be completed by October 2025.

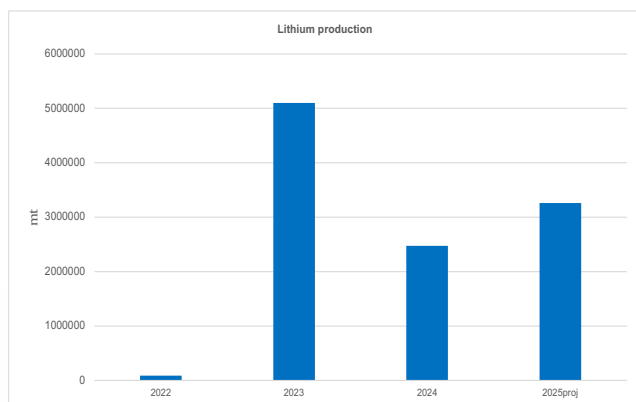
Afrochine smelting

Afrochine Smelting Company is planning to invest about USD\$22.6 million in two new smelters in 2025. The project is expected to be completed by 2026 and is anticipated to boost production by 28%.

Mining Affairs Review

Lithium

Lithium carbonate production significantly dropped in 2024 to 2.47 million tons, down from 5.1 million tons in 2023. This decline was primarily due to subdued global lithium prices, on the back of oversupply in the market. In the outlook for 2025, lithium carbonate production is expected to increase to 3.26 million tons, largely driven by production ramp up by new entrants that commenced operations in 2024.



Source: Ministry of Mines, CoMZ forecasts

Projects expected to boost output in the Lithium Sector

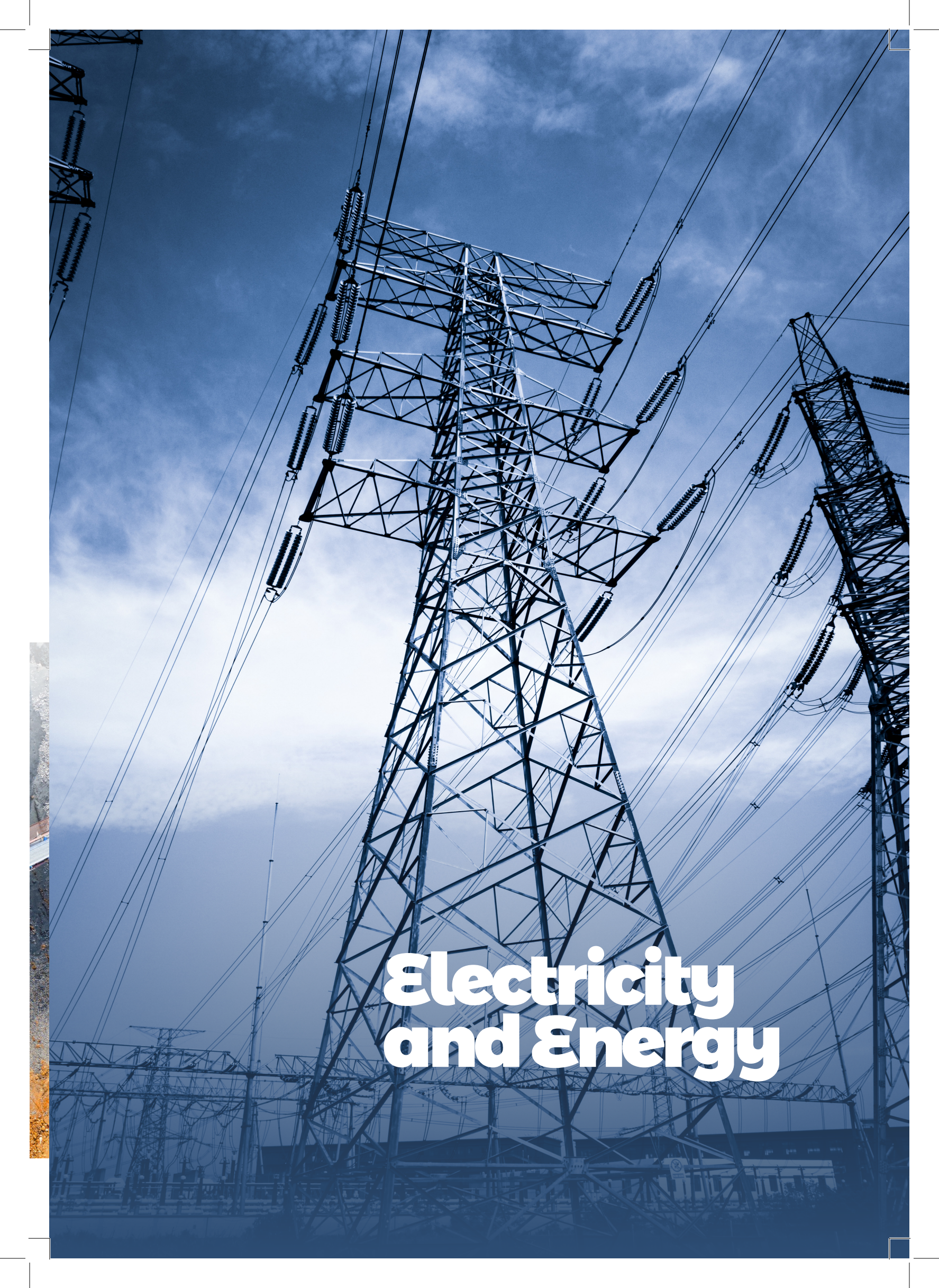
Bikita minerals

Bikita Minerals is planning to invest \$100 million in smelters in 2025, boosting smelting production by 95%. This is part of a broader \$500 million investment in a lithium smelter. The projects are expected to be completed by December 2025.

Sandawana Mine

Sandawana Mine is planning to invest \$28 million in a lithium concentrate processing plant, with completion expected by March 2026. The investment is projected to double production, reaching 500,000 tonnes of concentrate upon full commissioning.





Electricity and Energy



Electricity and Energy

The electricity supply situation was relatively stable during the first half of the year, however the supply situation worsened during the second half of the year on the back of restricted water allocations at Kariba by the Zimbabwe River Authority and scheduled maintenance at Hwange Power Station. Internal power generation averaged 1270 MW, however generation was peaked at about 1370 MW and reached a low of 796 MW. These fluctuations highlight the fragility of supply, the heavy reliance on Units 7 and 8, and the vulnerability of supply to climate change as it relates to generation at Kariba. In the outlook for 2025, forecasts of a normal to above-normal 2024/2025 rainy season provide optimism for improved generation capacity at Kariba, which could bolster overall supply stability.

Power Supply Status (2024 average)

Power supply status	MW
Hwange 1-6	485
Hwange 7&8	406
Kariba	307
IPPs	43
Imports	250
Total supply	1491
National demand	1700
Forecast demand	2000

Source: Zimbabwe power company

Electricity supply situation for the mining industry

The mining industry was not spared from the fragile power supply situation in the country with reports of power outages averaging 8 hours

per day (specifically for mining companies not connected to dedicated power lines). To supplement available power from the grid, some mines invested in solar systems and diesel generators. The Chamber of Mines engaged alternative power supply solutions providers that included Solar Century Africa, TD Power, GEnergy, Matobo Energy, RENERGY, Grid Africa, and Lafrica Energy, among others. Most of these potential suppliers required off-take agreements to make their projects bankable. The Intensive Energy User Group assisted some mining companies to import power directly from the region at competitive tariffs.

Electricity tariff

The electricity tariff for exporters remained high, uncompetitive, and unsustainable, with mining companies required to pay their electricity bills wholly in foreign currency. The Chamber engaged the government, ZERA, and ZESA on the high tariff and its negative impact on the viability of the mining industry. Following these engagements, the ferrochrome sector was granted a concessionary tariff of US\$8/ KWh on the condition that they establish their own power facilities within 24 months. The general tariff for mining companies was, however, retained at US\$14.21/ KWh.

Prepaid billing system

The ZETDC announced that all customers will be transitioned to a pre-payment billing system by the first quarter of 2025. Customers were required to clear their outstanding balances and post a deposit equivalent to three months of their consumption. The Chamber was engaging the ZETDC for a smooth and non-disruptive transition to the prepaid billing system.



A photograph of two miners in a dark, rocky tunnel. They are wearing blue work clothes, white hard hats with green headlamps, and white respirator masks. They are both wearing red and black work gloves. They are working together to operate a large, metallic, cylindrical mechanical device. The scene is dimly lit, with a bright light source visible in the background, creating a dramatic effect. The text "Labour and Manpower" is overlaid in white, bold, sans-serif font in the lower right quadrant.

Labour and Manpower



Labour and Manpower

National Employment Council for the Mining Industry (NEC)

NEC Meetings

A total of thirty-one meetings of the NEC, including meetings of Finance, Wage negotiations and Sub-technical committees, were held during the year.

Council

Most of the meetings were done physically at the NEC Offices. Some of the issues considered included -

Appointment of Independent Chairman for 2024

Mr Johnlife Mawire was appointed as the new Independent Chairman of Council after the voluntary retirement of Mr Kare who had served for 12 years. Mr Mawire is a labour lawyer with more than 30 years of practice. He has vast experience in chairing various National Employment councils.

Review of the Collective Bargaining Agreement (C.B.A)

The Council reviewed its Constitution to align it with the dictates of Section 56 & 57 Labour Act Amendment number 11 of 2023 which requires the inclusion of new players. The S.I of 1992 is out-dated and is being amended to align it to the Labour Act and the National Constitution. The Council is also reviewing the C.B.A to incorporate some jobs that are not current within the C.B.A. The Council is amending C.B.A to incorporate the Child Labour laws as provided for in terms of ILO Convention NO. 182.

Learnerships

The Council approved a total of one hundred and forty-eight learnerships (148); ninety-six (96) Hard Rock Miners, fifty-one (51) being for Plant Operators and one (1) Core Driller.

Exemptions

There were fifty-four applications approved for exemptions from paying the minimum wage, and six were disqualified.

Adoption of Council Audited Accounts

The audited accounts for 2023 were adopted by Council.

Review of the Collective Bargaining Agreement

The principle Collective Bargaining Agreement was published in SI 150 of 1990, and several amendments were made since that time, principally

on wage adjustments. It was agreed that a new agreement should be developed to take into account new statute provisions enacted by government, and compliance with international standards, including conventions published by the ILO and adopted by government.

A number of workshops and seminars were held on the issues to be considered. The two principles that guide the amendments are:

Matters of Right

These are issues provided for in terms of the existing legal framework, generally in terms of the Labour Act and ancillary legislation. These could include, for example,

- The fundamental rights of employers and employees, including the freedom of association and collective bargaining.
- Employment of young persons and child labour
- Sexual harassment and gender-based violence at workplace
- Provision of minimum conditions of service, including sickness benefits and maternity leave, annual leave, disciplinary matters
- Right to take collective job action
- Right to fair labour standards and practices

These are a requirement in terms of the Act, and any negotiations would be bound by those parameters, and any agreement would be within those limits.

Matters of Interest

This is the area where employees (and employers) may negotiate for additional benefits, which are not a right. For example,

- Reduction in the hours of work
- Productivity bonuses
- Accommodation and schooling
- Additional benefits (transport, transport allowances, vehicles)
- Increases in wages

Trade Union Activities

On the side of organised labour, the Council is now composed of two Trade Unions: Associated Mine Workers Union of Zimbabwe (AMWUZ) and Zimbabwe Diamond & Allied Minerals Workers Union (ZDAMWU). The accreditation and acceptance of new players was done in terms of Section 56 (5) of the Labour Act, 2023 which demands that membership should be proportionally allocated according to membership. Currently AMWUZ retained 5 seats whilst ZDAMWU obtained 2 seats. Out of more than 25 registered trade unions, only AMWUZ and ZDAMWU were compliant and passed the accreditation process.

Currently there are more than twenty-five active employee



Labour and Manpower

representative bodies (trade unions) in the mining sector. These are but not limited to:

- Associated Mine Workers Union of Zimbabwe
- Zimbabwe Diamond & Allied Workers Union of Zimbabwe
- Mining Workers Union of Zimbabwe 1
- Solidarity Mine Workers union
- Mining Workers union Of Zimbabwe 2
- Progressive Mining & Allied Industries Workers Union of Zimbabwe
- Black Granite Quarrying Workers Union of Zimbabwe
- Zimbabwe Union of Mine workers
- Zimbabwe Industrial Revolution Workers Federation
- National Mine Workers Union of Zimbabwe
- Zimbabwe Advanced Mine Workers Union of Zimbabwe
- National Union of Mines Quarry, Iron & Steel Workers of Zimbabwe
- Mine Workers Union of Zimbabwe
- Ikodzero Dzako Mshandi Mining Workers Union
- Zimbabwe Precious Minerals Mine Workers Union
- Professional & General Mine Workers Union of Zimbabwe

Previously, the Constitution of the NEC for Mining was a voluntary agreement between the Chamber of Mines and the AMWUZ in terms of the then Labour Act and which did not give any automatic Council membership right for other trade unions (or Employer Organisations). However, the current amendments to the Labour Act compel all NECs to annually allocate Council seats based on proportional representation. All registered trade unions may participate in the Council upon meeting the set standards within our Constitution and the allocation of seats is done in every twelve months.

Financial Report of Council for the year ended 31 December 2024

Finance Committee Meetings

Two finance committee meetings were held during the year.

Financial Highlights

Results for the financial year 2024 showed a marked improvement from the previous year. Historical revenue was up by 2008% from previous year from ZWG1 799 028 to ZWG 37 923 521. Historical expenditure was up by 1776% from previous year from ZWG 1 444 961 to ZWG 27 105 245. Historical surplus for the year amounted to ZWG 10 818 276 an increase of 2955% from the previous year

Fixed Assets

During the year under review, the Council purchased 2 motor vehicles, boardroom furniture and office equipment.

Budgetary Performance

Council operated with a budget of ZWG 41 202 104. Contributions receipts were 4.18% more than budget (ZWG 41 202 104 budget: ZWG 42 923 521 actual). Expenditure was ZWG 27 105 245 against a budget of ZWG 36 107 511 resulting in a budget surplus of ZWG 9 002 266. The Accumulated Fund increased to ZWG 2 334 731 from ZWG 650 200 in previous year. Assets increased to ZWG 7 891 959 from ZWG 729 782 in previous year. Cash Resources increased to ZWG 8 220 413 from ZWG 264 704 in the previous year.

Revenue inflows of Council increased for the seventh year in succession



Labour and Manpower

as most mines settled arrear contributions and met current dues. However out of the 570 registered mines about 305 mines contributed to the NEC on a regular basis during the year, an increase from 289 in 2023, 304 in 2022 but still short of the 380 in 2020, 335 in 2021.

Other Financial Matters

Arrear contributions amounting to approximately ZWG 1 895 727 in respect of various mines remained unsettled at year end, a 3383% historical increase from the prior period.

Mining Industry Labour

As at 31 December 2024, records showed that at least 49,160 workers were employed in the mining industry, with a vast, but unknown number of unregistered small workers also operating largely in gold mining. Generally, there was a decrease in number of people employed within the mining industry due to retrenchments by various mines. In total the sector experienced 7.8% job losses

Outlook

Prospective small miners continue to register with Council, and some with the Chamber. Further increase in contributions revenue is expected as council continues to receive arrear contributions.

Wage Agreement - 1 January 2024 to 31 December 2024

Wage negotiations for 2024 were done once and pegged in United

States Dollars to preserve value of the salaries. The 2024 agreement was as follows:

- 0% for the period January-March 2024
- 4% for the period April-June 2024 and,
- 5% for the period July-December 2024.
- 68% of the minimum wage was to be paid in US dollars whilst 32% could be paid in ZWL at the prevailing interbank rate on the day of payment.
- Members unable to pay the increases would apply to the NEC for exemption in terms of the Collective Bargaining Agreement, as soon as possible.

Technical Sub Committee

Four meetings of the Technical Sub-committee were held in 2024. Most of the applications concerned exemptions from paying the new minimum wage increases. More than 80% of the total applications for exemptions showed that parties had reached mutual agreements at works council level. In reality, most of the applications were generally ratification of the already mutually and voluntarily agreed exemptions. The committee deliberated and discussed on retrenchments and partially job evaluation. The Committee looked into economic challenges that faced the industry and the need to save jobs. Two company Codes of Conduct's were also approved during the year.





Zimbabwe School of Mines Report

Zimbabwe School of Mines Report

Introduction

The Zimbabwe School of Mines continues to offer its services to the industry and keep aligned to the mining industry and the Government of Zimbabwe through the Ministry of Mines and Mining Development. The School remains optimistic and committed to offering world-class mining training in Zimbabwe and world over using both online and offline learning systems. ZSM has expanded its programs beyond its traditional offerings to include Gemology, Gemstone Cutting & Polishing, Foundry Technology, Iron and Steel Making, and Mine Occupational Health and Safety.

Enrolment for 2024

The following tables show enrolment statistics for 2024, reflecting a decline from 1,050 in 2023 to 716 in 2024.

COURSE	LEVEL							TOTALS
	CERT	D1	D2	D3	BD1	BD2	HD	
MET- ASSAY		30	10	24				64
MINE VENT		28	1	22				51
GEOLOGY		63	16	40		2		121
METALLURGY		67	15	38		7	4	131
MINING		66	14	47	8	4		139
SURVEY		66	4	52		2		124
SHAFT TECH				19				19
EXECUTIVE DIPLOMA		3						3
GEMOLOGY			0					0
MSHEQM			6					6
FOUNDRY			0					0
GEMSTONE C & P	8							8
MOHSE (FT)	25							25
MOHSE (PT)	2							2
SMALL-SCALE	22							22
TOTALS	57	323	66	243	8	15	4	716

Enrolment Statistics 2024

Academic Report

Smooth Running of First Semester Calendar

The first semester academic timetable has been successfully implemented, ensuring minimal disruptions

Educational Trips Calendar

ZSM has been delivering educational trips that are aligned with curriculum objectives which include visits to key industrial and academic sites to enhance practical learning.

Chinese Lessons Program

The Chinese language program has been well received. Enrolment numbers exceeded expectations, and the program is progressing smoothly with positive feedback from students and instructors.

Exam Procedures and Policy Review

SM is drafting a comprehensive review of exam procedures and policies as part of the ZSM examination policy. The focus is on modernizing assessment methods, ensuring fairness, and aligning with international best practices.

Curriculum Delivery Enhancements

The ZSM engaged Deswick and Micromine Software, experts in software which are being integrated into the curriculum delivery strategy for mining-related programs. This initiative aims to enhance students' technical skills and industry readiness by incorporating cutting-edge tools into their learning process.





Zimbabwe School of Mines Report

New courses

The post graduate diploma in Exploration Techniques and Mine Survey Assistant awaits accreditation.

Industry Partnerships and Sponsorships

The School is seeking collaborations with Xintai of XGL and Manhize Steel. Areas of cooperation will focus on sponsorship opportunities and absorption of students specializing in iron and steel industries for attachment including employment prospects.

Corporate Affairs and Marketing Report

The following are some of the initiatives the School is undertaking:

- The ZSM Board was appointed mid-2024 and the Board and Committee meetings are being done as scheduled.
- The School managed to hold its first AGM meeting on the 7th of March 2025.
- The School has embarked on digital marketing to market its courses and services to the public.
- The School has embarked on the aggressive marketing during the period 2024/5 which has seen an increase in the uptake of the ZSM courses.
- Logistics are underway for the 10 May ZSM Day Golf Tournament at Harare Country Club.
- Kamativi Mining Company (KMC) signed a Memorandum of


Association with the School for partial scholarship of 8 (eight) students.

- Julian Baring Scholarship also launched a scholarship to assist two students each year
- The Chamber of Mines Mine Rescue Association held its AGM at the School in March 2025. The school encourages mining associations to consider ZSM as their meetings venue of choice.

Conclusion

ZSM's efforts in 2024 demonstrate its ongoing commitment to educational excellence and industry collaboration. With substantial enrolment numbers and 43% of students already attached to various mining industry partners, the school continues to offer valuable learning opportunities.





Mining Industry Pension Fund Report

Mining Industry Pension Fund Report

Introduction

This report provides an update on all aspects of the Fund's operations for the year ended 31 December 2024. The year 2024 saw the introduction of the new currency, ZWG, on the 5th of April 2024 and the subsequent revaluation of all assets and liabilities previously denominated in ZWL\$ to ZWG. Overall, the operating environment remained challenging characterised by some companies scaling down operations as reflected in rented space reductions, retrenchments and increase in fixed term contract employment.

PERFORMANCE OVERVIEW (Appendix 1)

The financial performance of the Fund is presented in United States Dollars (USD) for the purposes of this Report. As the Fund is trading in multi-currency, the United States dollar transactions were maintained in USD while the local currency (ZWG) transactions were converted to USD at the interbank foreign currency exchange rate and added to the USD transactions to arrive at the reported USD values. However, the ZWG remained the functional and reporting currency of the Fund.

The Fund recorded a surplus equivalent to US\$32.784 million in 2024, 30% up from prior year surplus of US\$25.155 million. Resultantly, the Fund closed the year 2024 with an accumulated fund balance of US\$208.840 million compared to US\$176.056 million for the year 2023.

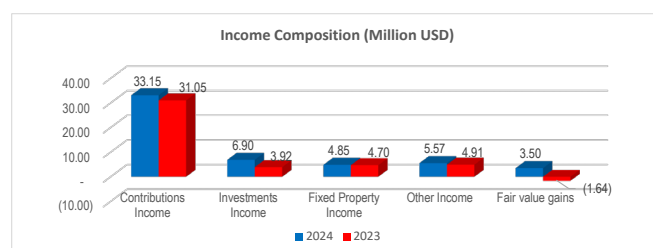
Summarized Income & Expenditure Statement for the Year Ended 31 December 2024

	USD Equivalent		USD Equivalent
Description	2024	Variance	2023
Income			
Contributions Income	33,152,505	7%	31,050,871
Investments Income	6,895,319	76%	3,920,525
Fixed Property Income	4,850,678	3%	4,704,725
Other Income	5,568,465	13%	4,908,824
Fair value gains	3,502,104	113%	-1,644,346
Total Income	53,969,071	26%	42,940,599
Expenditure			
Benefits Expenditure	9,646,129	-65%	5,847,530
Admin Expenses	5,797,071	-7%	5,397,245
Fixed Property Running Expenses	1,069,668	-273%	286,516
Provision for impairment loss on debtors	4,671,919	25%	6,253,866
Total Expenditure	21,184,787	-19%	17,785,156
Increase / (Decrease) in Fund	32,784,284	30%	25,155,443
Accumulated Fund B/ Fwd	176,055,932	17%	150,900,489
Accumulated Fund at end of year	208,840,216	19%	176,055,932

Mining Industry Pension Fund Report

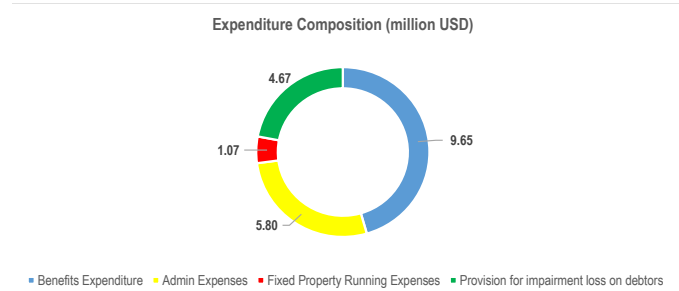
Income

Total annual income for the year 2024 at US\$53.969 million was 26% above US\$42.941 million recorded in 2023. Of the total income recorded in 2024, 56% was in foreign currency (41%:2023). The growth in USD denominated income was driven by the increase in mines remitting contributions in USD with 46% of contributions for 2024 invoiced in USD compared to 39% in 2023 while USD rental income was 80% up from 38% in 2023. Investment income from dividends and interest was all in USD compared to 98% in 2023. The income composition is shown below.



Expenditure

Total expenditure for the year 2024 at US\$21.185 million was 19% above the 2023 expenditure of US\$17.785 million. Pension benefits which amounted to US\$9.646 million were 56% above the prior year expenditure mainly driven by pension increases awarded during the year to distribute revaluation gains and the USD cushioning allowances paid to pensioners on a quarterly basis. For the year 2024, pension benefits paid in USD constituted 43% of the pension benefits expenditure while administration expenses paid in USD were 38% of total administration expenses. The Fund's expenditure is largely in local currency. The expenditure composition is summarised below.

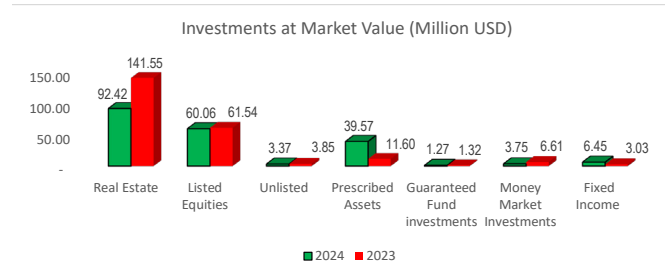


Cash Flows

Total cash inflows for the year 2024 were US\$37.502 million, an increase of 49% over the prior year collections of US\$25.242 million, driven by an improvement in income and arrear collections for rentals and contributions. Cash outflows amounted to US\$18.044 million for 2024 and were 10% above the year 2023 outflows of US\$16.380 million. Net cash flows available for investments amounted to US\$19.458 million for the year 2024 compared to US\$18.316 million for 2023. Net investments for 2024 amounted to US\$18.991 million (2023:US\$16.808 million) split as quoted equities purchases (US\$3.314 million), money market investments (US\$3.139 million), real estate development (US\$7.820 million) and fixed income instruments (US\$4.747 million).

Investments

The Fund's total assets inclusive of net current assets were estimated at US\$224.575 million as at 31 December 2024 (based on the 2024 actuarial valuation) compared to US\$249.055 million as at 31 December 2023. This represented an approximate decrease of 10%. It is important to note that the 2023 valuations especially for fixed properties were in local currency and converted to USD at the interbank rate, thus the valuation was susceptible to distortions emanating from the exchange rate disparities. The 2024 property valuation was carried out in USD and is more reflective of the real value of the real estate portfolio.





Mining Industry Pension Fund Report

Summarized Fund Value Statement as at 31 December 2024

ASSET CLASS	2024	Movement	2023
	USD Equivalent	%	USD Equivalent
Investments			
Real Estate	92,420,102	-35%	141,552,478
Quoted Equities	60,057,755	-2%	61,538,381
Unquoted Equities	3,372,289	-13%	3,854,203
Prescribed Assets	39,572,086	241%	11,601,182
Guaranteed Fund investments	1,267,516	-4%	1,318,255
Money Market Investments	3,752,156	-43%	6,612,436
Fixed Income	6,446,111	113%	3,027,492
Total Investments	206,888,015	-10%	229,504,427
Other Assets			
Net Current Assets	821,753	-71%	2,855,658
Actuarial Adjustments	16,865,322	1%	16,695,107
Total Assets	224,575,090	-10%	249,055,193
Actuarial Liabilities	140,419,017	52%	92,600,932
Surplus / Deficit	84,156,073	-46%	156,454,261
Funding Level	160%		269%

Real Estate Portfolio

As at 31 December 2024, the Fund's real estate portfolio was valued at US\$110.643 million by an independent valuer, Southbay Real Estate. Part of the real estate portfolio valued at US\$18.222 million was re-classified to prescribed assets. The properties include Shurugwi Mall, Gokwe shopping Mall, Chinhoyi Student Accommodation and Shurugwi Impali residential developments which were awarded prescribed

asset status by the Insurance and Pensions Commission (IPEC). Thus, a balance of US\$92.420 million remained under real estate, thereby reducing the overall weight of properties in the portfolio. Properties constituted 45% (62%:2023) of the total investments assets, against the 40% maximum limit as set by the regulator, IPEC. The Fund closed the year 2024 with a void rate of 11%, concentrated in CBD office buildings.

Listed Equities

Listed equities constituted 29% (27%:2023) of the total investments portfolio in market value terms. Of the total quoted equities portfolio, 40.91% was in respect of shares denominated in local currency and listed on the ZSE, 48.18% was in shares denominated in United States dollars and listed on the VFEX valued at US\$28.936 million while 10.98% was in foreign listed (offshore) companies valued at (US\$6.593 million). The listed equities portfolio recorded an annual return of 1163.72% (742.09%:2023) in local currency terms and a dividend yield of 34.72% was realised.

Unlisted Equities

Unlisted equities investments constituted 2% of the total investments assets. The Fund's private equity portfolio comprises of Old Mutual Zimbabwe Limited (11.50%), New Corporate Investments Seven representing Flamboyant Hotel in Masvingo (36.18%) and Twirlton Investments representing Kadoma Hotel and Conference Centre (52.32%) of the total unlisted equities portfolio. A dividend yield of 35% was recorded for the year 2024.

Money Market

The money market book closed the year at US\$3.753 million and 2% of the total assets. The Fund adopted a deliberate strategy to limit the money market book to USD only as monetary assets in local currency are susceptible to value erosion due to inflation and depreciation of the local currency.

Prescribed Assets

Investments in Prescribed Assets increased by 241% from US\$11.601 million in 2023 to US\$39.572 million as at 31 December 2024 due to new investments and the granting of PA status on the Fund's real estate development projects. PAs constituted 19% of total investments assets compared to 5% in 2023 against the regulatory compliance threshold of 20% in market value terms.

Old Mutual Guaranteed Fund (OMGF)

The Fund's investment in the OMGF constituted less than 1% of the



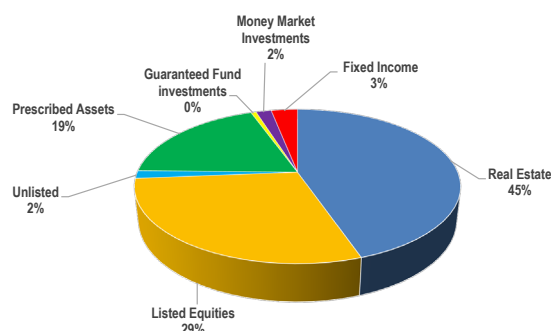
Mining Industry Pension Fund Report

total portfolio value. The OMGF declared a bonus of 921.90% for the year ended 31 December 2024 compared to 838.32% declared in the prior year in local currency terms.

Fixed Income

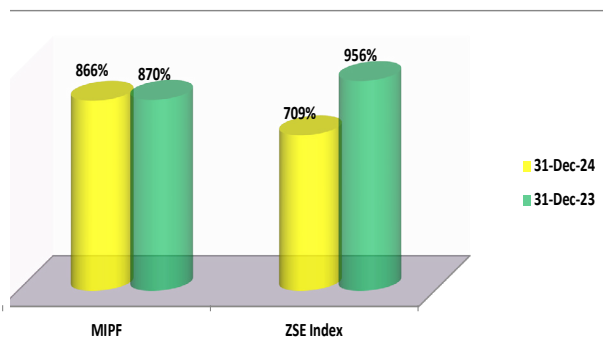
Fixed Income instruments increased by 113% to US\$6.446 million as at December 2024 from US\$3.027 million in 2023 due to new investments. The fixed income investments are mainly made up of debt instruments and back up investments for the MIPF Assisted Member Mortgage and Staff Mortgage Schemes.

Investments Portfolio Asset Allocation



Gross Return

The Fund earned a gross return of 866% for the year 2024 against the prior year return of 870% as per Actuary's computation in local currency terms.



Operations

Contributions Collections and Debtors

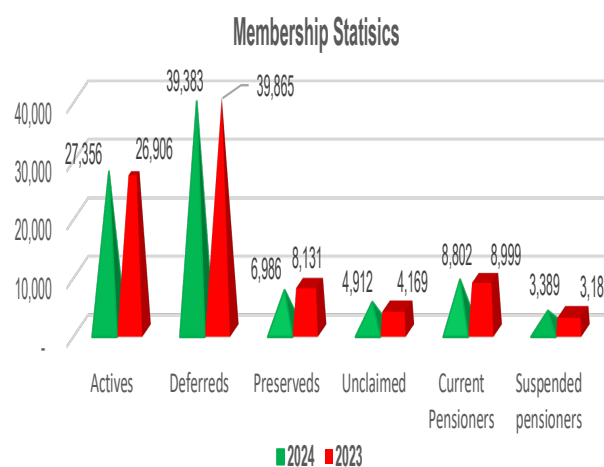
Total contributions collected for the year 2024 were equivalent to

US\$24.951 million compared to US\$25.242 million for 2023. The 2024 collections translated to a collection rate of 48% (2023:58%) of total invoiced contributions. Collections were depressed as some of the big mines closed the year in arrears.

Contribution debtors, including interest were equivalent to US\$16.467 million, as at 31 December 2024, an increase of 17% over the US\$14.077 million owed as at 31 December 2023. Twenty-one (21) largest mines owing in excess of an equivalent of USD50,000 constituted 95% of the total contributions debtors as at 31 December 2024.

Fund Membership

Overall, the Fund's total membership decreased by 1.09% to 90,256 as at 31 December 2024 from 91,252 as at 31 December 2023. The decrease was mainly attributed to retrenchments from mines. Notwithstanding the overall membership decrease, the number of Active Members marginally increased by 1.67% from 26,906 to 27,356.



New Mines Recruited

During the year under review, twelve (12) new mines with a total membership of one thousand eight hundred and eighty-seven (1,887) employees were recruited and this increased the total number of member mines from 146 in 2023 to 158 as at 31 December 2024.

Retrenchments

For the year 2024, the Fund recorded one thousand two hundred and sixteen (1,216) retrenchments from sixty-nine (69) mines compared to two hundred and ninety-four (294) retrenchments from forty-two (42) mines in 2023.



Mining Industry Pension Fund Report

Mine Visits and Data Collection

The Fund visited sixty-nine (69) out of a total of one hundred and fifty-eight (158) mines in 2024 for purposes of information dissemination and data collection. The Data collection exercise is in line with the Fund's strategy to maintain an accurate and up to date membership database, as well as the need to meet the regulatory requirement to have in place, copies of National Identification documents (IDs) for all members.

Actuarial Valuation

Following the currency change of 5 April 2024 from ZWL\$ to ZWG, the Fund carried out a currency conversion actuarial valuation as at 5 April 2024 in line with the IPEC Revaluation Guideline that mandates pension funds to carry out actuarial valuations whenever currency changes occur. Revaluation gains on investments assets for the period 1 January to 5 April 2024 were passed on to the members and pensioners in the form of bonuses and pension increases. Subsequently, a statutory actuarial valuation was carried out as at 31 December 2024. The two Actuarial Valuations were carried out by Mr. T Mutare of Stalwart Actuarial Consultants. The Table below summarizes the funding levels.

Actuarial Valuation Summary

Detail	USD Equivalent	
	2024	2023
Assets	224,575,090	249,055,193
Liabilities	140,419,017	92,600,932
Surplus	84,156,073	156,454,261
Funding level	160%	269%
Return	866%	870%

For the year ended 31 December 2024, the Fund's assets were equivalent to US\$224.575 million against liabilities of US\$140.419 million resulting in a surplus of US\$84.156 million which translated to a funding level of 160% before declaration of bonuses. The table below summarizes the cumulative pension increases and bonuses awarded in 2024 in local currency terms for Sub Accounts 1 and 2 which are in local currency (ZWG) and Sub Account 3 in USD.

Description	Sub Account 1	Sub Account 2	Sub Account 3 (USD)
Bonus – to active, deferred and preserved members and outstanding benefits	710.70%	650.90%	15.10%
Pension Increase – to current and suspended pensioners	667.00%	609.40%	11.90%
Additional Death Benefit Increase – actives and pensioners	710.70%	650.90%	0.00%

Update on the MIPF Assisted Member Mortgage Scheme

As part of efforts by the Fund to create value and improve its product offering to Members, the Fund implemented the MIPF Assisted Member Mortgage Scheme effective from March 2018. The purpose of the scheme is to assist members prepare for retirement while they are still at work by acquiring residential properties without raising deposits as normally required by the Building Societies in the case of walk-in applicants. Members from mines that are up to date with remittance of pension contributions are able to access traditional mortgages or micro-mortgages through CABS, Nationals Building Society and FBC Building Society. As at 31 December 2024, a total of two hundred and sixty-one (261) members had accessed loans since inception of the Scheme.

Annual General Meeting (AGM) of the Members

The Pension and Provident Funds Act which was enacted in 2023, requires pension funds to hold Annual General Meetings (AGMs) of members every year. The Fund held its inaugural AGM on 23 February 2024 in respect of the year ended 31 December 2022. The second AGM in respect of the year ended 31 December 2023 was held on 30 September 2024. The AGM for the year ended 31 December 2024 will be held by 30 June 2025.

Corporate Governance

All Board and Committee meetings were held as scheduled and the Fund held its annual Strategic Planning review workshop held from 23 to 25 October 2024. The 2024 year-end audit and Actuarial Valuations were carried out and completed without any issues of concern being raised.



Mining Industry Pension Fund Report

Conclusion

The Fund continues to pursue its growth and value preservation strategy with focus on offshore investments and developing part of the land bank so as to unlock value for the Fund's members and also diversify the Fund's property portfolio which is concentrated in CBD office space. In addition, strategies aimed at retaining member mines through offering quality services and value-added benefits to members such as the assisted member mortgages remain key given the difficult operating environment. The Fund's strategies focus on improving contributions, rentals and operating costs collections and sweating the assets in addition to recruiting new mines so as to grow the Fund. Cost management also remains a key area of focus given the harsh operating environment.

Mining Industry Pension Fund Abridged Financial Accounts for the year ended 31 December 2024

Summarised Statement of Net Assets Available for Benefits as at 31 December 2024

	HISTORICAL COST		SD EQUIVALENT	
	2024 ZWG	2023 ZWG	2024 USD	2023 USD
MEMBERSHIP ACTIVITIES				
Contributions	524,591,429	69,696,128	33,152,505	31,050,871
Benefits and Payments	(141,810,537)	(13,096,685)	(9,646,129)	(5,847,530)
Net Membership Activities Income / (Loss)	382,780,892	56,599,443	23,506,376	25,203,341
NON MEMBERSHIP ACTIVITIES				
Investment Activities				
Income from Financial Assets	2,016,813,709	253,089,819	8,843,807	2,272,179
Income from Non Financial Assets	2,454,101,736	425,251,652	6,404,294	4,708,725
Investment Expenses	(28,043,618)	(3,652,475)	(1,167,442)	(1,144,300)
Net Investment Income/ (Loss)	4,442,871,827	674,688,996	14,080,659	5,836,604
OTHER ACTIVITIES				
Other Income	500,795,995	29,266,986	5,568,465	4,908,824
Operating expenses	(84,048,477)	(10,042,232)	(5,699,297)	(4,539,460)
Net Other income / (Loss)	416,747,518	19,224,754	(130,832)	369,364
Provision for impairment on debtors	(420,741,756)	(45,392,581)	(4,671,919)	(6,253,866)
Change in net assets excluding membership activities	4,438,877,589	648,521,169	9,277,908	(47,898)
Net monetary loss	(103,725,122)	(123,353,177)	-	-
Net increase or decrease in assets during the year	4,717,933,359	581,767,435	32,784,284	25,155,443
Net assets available for benefits at beginning of year	668,824,844	87,057,409	176,055,932	150,900,489
Net assets available for benefits at end of year	5,386,758,203	668,824,844	208,840,216	176,055,932

Mining Industry Pension Fund Abridged Financial Accounts for the year ended 31 December 2024

Summarised Statement of Changes in Net Assets Available for Benefits as at 31 December 2024

	HISTORICAL COST		USD EQUIVALENT	
	2024 ZWG	2023 ZWG	2024 USD	2023 USD
ASSETS				
Operating Assets	117,455,956	15,666,110	4,552,821	6,412,296
Non Current Investments				
Investment Property	2,289,888,890	391,887,203	88,760,544	84,967,395
Equities	1,636,468,386	188,225,657	63,432,695	58,777,832
Prescribed Assets	664,159,445	20,667,765	25,744,111	4,459,524
Guaranteed fund investment	32,668,582	3,794,457	1,266,298	1,553,109
Other Fixed income investments	150,366,420	7,159,856	5,828,495	2,930,601
Loans and mortgages	898,392	1,220,282	34,823	499,474
	4,774,450,115	612,955,220	185,066,966	153,187,934
Current Investments				
Prescribed assets	356,754,068	12,725,107	13,828,481	5,208,514
Money market	96,829,909	19,033,200	3,753,315	7,790,480
Staff loans and Mortgages	15,029,248	334,367	582,563	136,860
Cash at Bank	16,359,465	2,882,015	634,125	1,179,638
	484,972,690	34,974,689	18,798,484	14,315,491
Other Current Assets				
Debtors	509,030,545	46,362,115	19,731,013	18,976,479
Interest and Dividends receivable	9,256,601	720,405	397,803	294,869
Other debtors	15,795,601	1,237,620	612,278	506,570
Prepayments	15,196,536	912,100	589,047	373,332
Inventory	1,712,834	258,620	66,393	105,856
	550,992,117	49,490,860	21,396,534	20,257,105
Total Assets	5,927,870,878	713,086,879	229,814,805	194,172,827
Non Actuarial Liabilities				
Arrear pension benefits	50,422,329	1,185,843	1,954,467	485,377
Provisions for Impairment on debtors	454,960,426	40,663,888	17,635,161	16,644,137
Other payables	33,096,594	2,052,936	1,282,888	840,287
Related party balances - COMPEF	2,633,326	359,368	102,073	147,093
	541,112,675	44,262,035	20,974,589	18,116,895
Net Assets Available for benefits at end of year	5,386,758,203	668,824,844	208,840,216	176,055,932
ACTUARIAL LIABILITIES				
Members' Liabilities	4,217,534,468	573,133,494	163,479,833	41,602,907
Reserves	879,022,980	89,124,896	34,072,639	20,167,174
	5,096,557,448	662,258,390	197,552,472	61,770,081
Total Actuarial Liabilities	5,096,557,448	662,258,390	197,552,472	61,770,081
Surplus / Deficit	290,200,755	6,566,454	11,287,744	114,285,851

A pink piggy bank and a glass jar filled with US dollar bills, with a person's hands in the background.

Chamber of Mines Pension Enhancement Fund Report

Chamber of Mines Pension Enhancement Fund (COMPEF) Performance Report

Introduction and General Outlook

This report is a summary of the Chamber of Mines Pension Enhancement Fund (COMPEF)'s performance for the year ended 31 December 2024 covering the financial and investments performance, corporate governance and outlook for 2025. Although, COMPEF functional currency is ZWG, the performance in this report is presented in USD for ease of comparability. The transactions which were in USD were maintained in USD while the ZWG transactions were converted to USD using the interbank exchange rates, for the purposes of this report.

2024 Performance

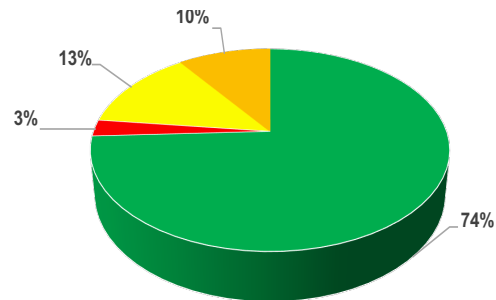
Financial Performance

Total income for the year 2024 was equivalent to US\$5.808 million which was 16% above the prior year income of US\$5.020 million. The income was split as 53% in USD and 47% in ZWG. Investments income and rental income was in USD while part (48%) of the contributions were in ZWG. Thus, the split between USD and ZWG income was mainly influenced by contributions income as some of the mines are remitting contributions in local currency while others split the contributions remittances into USD and ZWG informed by the remuneration proportions.

Income And Expenditure Statement for the Year Ended 31 December 2024

	31-Dec-24		31-Dec-23
	USD Equivalent	Variance %	USD Equivalent
Income			
Employer contributions	4,312,518	-14%	5,032,682
Rental income	152,747	29%	118,486
Investments income	766,883	81%	422,629
Fair value gain on investments assets	576,084	204%	(554,260)
Total Income	5,808,232	16%	5,019,537
Expenditure			
COMPEF pay-outs	836,169	24%	1,096,663
Administration Costs	88,301	0%	88,617
Property Running Expenses	126,966	-391%	25,872
Provisions for bad debts	2,275,004	-124%	1,016,085
Total Expenditure	3,326,440	-49%	2,227,237
Increase/(Decrease) in Fund	2,481,792	-11%	2,792,300
Accumulated Fund B/Fwd	15,209,721	22%	12,417,421
Accumulated Fund as at 31.12.2024	17,691,513	16%	15,209,721

Income composition



■ Employer Contributions ■ Rental Income ■ Investments Income ■ Fair Value Gain

Cumulative expenditure for the year 2024 was equivalent to US\$3.326 million compared to prior year expenditure of US\$2.227 million, mainly driven by provisions for bad debts on contributions. The provisions for bad debts at US\$2.275 million made up 68% of the expenses and were 124% above the prior year provisions of US\$1.016 due to the ballooning debtors' book. Property running costs and administration costs constituted 4% and 3%, respectively, of total expenditure while COMPEF pay-outs were 25% of total expenditure. COMPEF pay outs to pensioners which were paid in local currency (ZWG) were equivalent to USD836,169. On average, each pensioner received a pay-out equivalent to US\$66.34 from COMPEF in 2024. The pay-out is based on 75% of the contributions collected which is distributed equally among all pensioners on book while the balance of 25% is invested.

For the year 2024, the fund recorded a surplus equivalent to US\$2.481 million and closed the year with an accumulated fund equivalent to US\$17.691 million, a growth of 16% over the prior year accumulated fund balance of US\$15.210 million.

Contributions Income and Debtors

COMPEF contributions collections remained depressed as some mines were unable to remit COMPEF contributions on time. Cumulative contributions debtors increased by 95% from USD1.420 million as at 31st December 2023, to USD2.768 million as at 31st December 2024. Total COMPEF contributions received during the year 2024 were equivalent to US\$2.180 million compared to US\$2.746 million. This translated to a collection rate of 51% (2023: 55%) of invoiced contributions for the year 2024. Overage, actual contributions collected in USD were 49% of contributions collected.

Chamber of Mines Pension Enhancement Fund (COMPEF) Performance Report

Investments

The COMPEF portfolio was valued at an equivalent US\$17.127 million as at 31 December 2024, up 23% from December 2023 valuation equivalent to US\$13.895 million. The COMPEF asset allocation portfolio is summarised in Table 1 below.

COMPEF Portfolio Asset Allocation as at 31 December 2024

Asset	Exposure 2023	Exposure 2024	Targeted
Allocation	%	%	
Equities Mkt Value	16.33%	17.71%	30%
Money Market	11.37%	13.07%	-
Cash	0.46%	1.00%	-
Fixed Income	0.00%	0.00%	-
Real Estate	71.85%	68.22%	70%
Total	100.00%	100.00%	100%

The portfolio posted a total weighted return (in ZWG terms) for the year under review of 389.39% for 2024. Quoted equities contributed a weighted return of 257.94% and fixed properties 128.60% to the total fund return. The performance per the key asset classes is summarised as follows.

Quoted Equities

The COMPEF quoted equities portfolio posted a return of 1456.65% for the year 2024 compared to 895.63% for 2023 and 708.54% return posted by the benchmark industrial index. The positive performance was due to a higher exposure in Delta Corporation as well as significant dividends received from Delta and Innscor.

COMPEF Equities Portfolio Performance Comparison: 2024

Index/Fund	FY2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	FY2024
Industrial Index	955.66%	311.05%	28.47%	89.19%	-19.07%	708.54%
COMPEF/Equities	895.63%	372.26%	49.07%	101.16%	9.92%	1456.65%

N/B: All return computations were in local currency.

The top COMPEF equities portfolio exposures for the year ended 31 December 2024 were in Delta (54.38%), Econet (26.44%) and Innscor (15.48%).

Real Estate Portfolio

The COMPEF property portfolio was valued at US\$11.754 million as at 31 December 2024, 30% up from the 2023 valuation of US\$9.029 million due to purchase of Goodhope undeveloped land at US\$1.600 million and fair value gains of US\$883,800. Table 3 summarises the COMPEF real estate portfolio.

COMPEF Real Estate Portfolio as at 31 December 2024

Property	Date Purchased	Market Value USD - 2023	Market value USD - 2024
Undeveloped Stands			
Mt Pleasant (Olympia Farm)	19/09/2017	3,000,000	3,374,000
Gunhill Property	27/02/2018	2,544,000	2,694,000
1214 Bannockburn	29/08/2018	1,000,000	1,157,000
Total Undeveloped		6,544,000	7,225,000
Commercial Properties			
36-38 Kaguvi	13/11/2017	1,460,000	1,618,000
Industrial Properties			
Stand 50A (Willowvale)	20/12/2017	770,000	926,000
Residential Properties			
Four (4) units in Imba MuMadokero, Tynwald	26/02/2020 28/12/2022	340,000	340,000
Stand 838 Good Hope T/Ship	30/10/2024	-	1,645,000
Total		9,114,000	11,754,000

The COMPEF property portfolio was valued as at 31 December 2024 by an independent valuer, Southbay Real Estate.

Rental Income and Debtors

The COMPEF rent generating properties comprise of one industrial building (Stand 50 A Willowvale), one commercial building (26 Kaguvi Street) and four residential units in Imba Mumadokero which are tenanted. All the tenanted properties are generating USD rentals. Rental income equivalent to US\$152,747 was generated from the properties compared to US\$118,486 for 2023. Rent debtors amounted to US\$273,489 respect of Stand 50 A Willowvale, 36-38 Kaguvi Street and former tenants for units in Imba Mumadokero. The sitting tenants are on payment plans which they are adhering to while the former tenants are being pursued through the legal route.

Chamber of Mines Pension Enhancement Fund (COMPEF) Performance Report

Corporate Governance

Board Meetings

Three (3) Board meetings were held in 2024.

2024 Year-end Audit

The 2024 year - end audit is in progress.

Outlook

The performance for the year 2025 is projected to be depressed due to challenges such as power shortage and depressed metal prices affecting the mining sector. This is likely to have a negative impact on mines' capacity to remit contributions to COMPEF in time. The COMPEF Board continues to pursue a value preservation strategy while taking advantage of any growth opportunities that might arise. Focus will be on developing part of its landbank so as to unlock value.

Chamber of Mines Pension Enhancement Fund (COMPEF) Abridged Financial Accounts for the year ended 31 December 2024

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

	HISTORICAL COST		USD EQUIVALENT	
	2024 ZWG	2023 ZWG	2024 USD	2023 US\$
Income				
Contributions	77,764,952	9,155,744	4,312,518	5,032,682
Rental Income	2,754,391	217,918	152,747	118,486
Investment Income	12,626,496	719,770	766,883	422,629
Fair value gains on investments assets	393,262,904	41,400,287	576,084	(554,260)
Total Income	486,408,743	51,493,719	5,808,232	5,019,537
Expense				
COMPEF Pay-outs	15,078,124	2,011,552	836,169	1,096,663
Administration Costs	1,520,737	161,702	88,301	88,617
Property Running Expenses	2,132,737	49,502	126,966	25,872
Provisions for bad debts	58,422,058	1,640,273	2,275,004	1,016,085
Monetary Loss	2,721,180	570,769	-	-
Total Expenditure	79,874,836	4,433,798	3,326,440	2,227,237
Increase/(Decrease) in Fund	406,533,907	47,059,921	2,481,792	2,792,300
Accumulated Fund B/Fwd	53,875,847	6,815,926	15,209,721	12,417,421
Accumulated Fund at end of Year	460,409,754	53,875,847	17,691,513	15,209,721



Chamber of Mines Pension Enhancement Fund (COMPEF) Abridged Financial Accounts for the year ended 31 December 2024

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	HISTORICAL COST		USD EQUIVALENT	
	2024 ZWG	2023 ZWG	2024 USD	2023 USD
Assets				
Non Current Assets				
Financial Assets	78,707,301	8,256,605	3,050,848	2,868,476
Fixed Properties	303,235,569	36,329,956	11,754,000	9,114,000
Total Non Current Assets	381,942,870	44,586,561	14,804,848	11,982,476
Current Assets				
Trade receivables	16,813,072	2,346,075	502,920	815,064
Money market investments	58,093,614	5,748,489	2,251,821	1,997,116
Other receivables	2,644,178	240,361	102,493	83,506
Cash and cash equivalents	1,817,808	949,764	70,462	329,963
Amounts due from related parties - MIPF	2,633,326	359,368	102,073	124,850
Total Current Assets	82,001,998	9,644,057	3,029,769	3,350,499
Total Assets	463,944,868	54,230,618	17,834,617	15,332,975
Fund Balance and Liabilities				
Fund Balance				
Accumulated Fund	460,409,754	53,875,847	17,691,513	15,209,721
Total Fund Balance	460,409,754	53,875,847	17,691,513	15,209,721
Current Liabilities				
Other payables	590,954	35,901	28,983	12,473
Suspended COMPEF Pay-outs	2,944,160	318,870	114,121	110,781
Total Liabilities	3,535,114	354,771	143,104	123,254
Total Fund Balance and Liabilities	463,944,868	54,230,618	17,834,617	15,332,975



Chamber of Mines Abridged Audited Financial Accounts

for the year ended 31 December 2024



Chamber of Mines Abridged Audited Financial Accounts

for the year ended 31 December 2024

Auditor's Statement

The abridged version of the financial results should be read in conjunction with the full set of Financial Statements for the year ended 31 December 2024, which have been audited by PNA Chartered Accountants. A qualified opinion was issued thereon because of non-compliance with International Accounting Standard IFRS13 on Valuation of Property and Equipment. The auditor's report on these financial statements is available for inspection at the Chamber's registered office.

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	2024 ZWG	2023 ZWG Restated
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	20,059,708	2,141,236
	20,059,708	2,141,236
Current Assets		
Inventories	22,473	9,923
Accounts Receivables	2,027,813	60,500
Held for Trading Investments	6,134	70
Cash and Cash Equivalents	11,885,131	742,815
	13,941,551	813,308
Total Assets	34,001,259	2,954,544
RESERVES AND LIABILITIES		
Reserves		
Accumulated Funds	4,945,419	1,034,158
Capital reserves	9,135	9,135
Revaluation reserve	18,352,716	1,080,660
	23,307,270	2,123,953
Current Liabilities		
Accounts Payables	9,862,589	773,488
Subscriptions in Advance	831,400	57,103
	10,693,989	830,591
Total Reserves and Liabilities	34,001,259	2,954,544

The financial statements were approved by the Council and signed on its behalf by:

T GONO (PRESIDENT)

Date: 13 May 2025

I KWESU (CHIEF EXECUTIVE OFFICER)

Chamber of Mines Abridged Audited Financial Accounts

for the year ended 31 December 2024

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

	2024 ZWG	2023 ZWG Restated
Revenue	30,794,867	4,252,492
Other Operating Income	48,638,952	6,697,486
Total Income	79,433,819	10,949,978
Operating Expenses	(91,719,491)	(10,460,333)
Operating (Deficit)/Surplus	(12,285,672)	489,645
Fair Value Adjustment on held for trading investments	6,064	(690)
Financing Income - Interest Received	-	38
Foreign Currency Revaluation	7,273,096	429,178
Monetary gain	-	241,033
(Deficit)/Surplus for the year	(5,006,512)	1,159,204
Other Comprehensive Income		
Foreign exchange impact on translation to presentation currency	8,917,773	-
Property, Plant and Equipment Revaluations	17,272,056	172,994
Total Comprehensive income for the year	21,183,317	1,332,198



Chamber of Mines Abridged Audited Financial Accounts

for the year ended 31 December 2024

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

	2023 ZWG	2023 ZWG Restated
Operating Activities:		
(Deficit)/ Surplus for the year	(5,006,512)	1,159,204
Adjustment for non-cash items:		
Depreciation	1,831,891	292,042
Foreign exchange impact on translation to presentation currency	8,917,773	-
Loss on disposal of equipment	-	17
Interest received	-	(38)
Fair value adjustment on trading investments	(6,064)	690
Net cash in-flow before investment in working capital	5,737,088	1,451,915
Working Capital Changes		
Accounts receivables (increase)	(1,967,313)	(18,717)
Inventories decrease/(increase)	(12,550)	1,952
Accounts payables increase	9,089,101	42,520
Other current liabilities increase	774,297	32,069
Net cash in-flow after investment in working capital	13,620,623	1,509,739
Interest receivable	-	38
Net cash inflow from operations	13,620,623	1,509,777
Net cash flows from investing activities		
Purchase of property and equipment	(2,478,307)	(1,200,129)
Proceeds from disposal of equipment	-	-
Net cash outflow in investing activities	(2,478,307)	(1,200,129)
Increase in cash and cash equivalents	11,142,316	309,648
Cash and cash equivalents at the beginning of the year	742,815	433,167
Cash and cash equivalents at the end of the year	11,885,131	742,815



Chamber of Mines Abridged Audited Financial Accounts

for the year ended 31 December 2024

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1 GENERAL INFORMATION

The Chamber of Mines of Zimbabwe ("the Chamber") is a private voluntary organisation which was incorporated in terms of the Chamber of Mines of Zimbabwe Incorporation (Private) Act [Chapter 21:02] to represent the mining companies of Zimbabwe. The Chamber is also registered in terms of the Labour Act [Chapter 28:01] to represent or advance the interests of any employers or groups thereof in the mining industry in respect of matters relating to employment.

The Chamber is domiciled in Zimbabwe, with its registered offices located at 20 Mt Pleasant Drive, Harare.

2 ACCOUNTING POLICIES

The principle accounting policies applied in the preparation of these financial statements, which are set out below, have been consistently followed in all material aspects.

2.1 Basis of Preparation and Presentation

"The financial statements have been prepared in accordance with the IFRS[®] Accounting Standards and its interpretations as issued by the International Accounting Standards Board (IASB). The financial statements including comparatives, have been prepared under the inflation-adjusted accounting basis, following a change in functional currency from the Zimbabwe Dollar (ZWL) to the Zimbabwe Gold (ZWG) on 05 April 2024. The Chamber's functional currency effectively became ZWG as of that date."

2.1.2 Hyperinflationary Reporting

Basis for preparation

These financial statements are prepared on statutory records that are maintained under the historical cost convention and are presented in ZWG.

The comparative figures for the previous period have been restated to take account of the changes in the general purchasing power of the Zimbabwe dollar and as a result are stated in terms of the measuring unit current at the statement of financial position date. To comply with IAS 29 accounting requirements, the Chamber

applied the movement in Total Consumption Poverty Line Index as it considered this to be the most appropriate index in the continued absence of a pure ZWL Consumer Price Index up to 05 April 2024.

The indices and conversion factors used in the restatement of transactions and balances are as follows:

Period	Conversion	
	Index	factor
5-Apr-24	429,220.00	1.00
31-Dec-23	65,703.00	6.53

The indices have been applied to the historical costs of transactions and balances as follows:

- All comparative figures as of and for the period ended 31 December 2023, have been restated by applying the change in the ZWL inflation index to 05 April 2024;
- Income statement transactions have been restated by applying the change in the index from the approximate date of the transactions to 05 April 2024;
- Non-monetary assets and liabilities have been restated by applying the change in the index from the date of the transaction to 05 April 2024;
- Property and equipment and accumulated depreciation have been restated by applying the change in the index from the date of their purchase or re-assessment to 05 April 2024;
- Equity has been restated by applying the change in index from the date of issue to 05 April 2024;

Following these restatements, all inflation-adjusted ZWL transactions, balances and comparatives as at 05 April 2024 were converted to ZWG at the conversion date exchange rate of ZWG 1: ZWL 2 498.7242.

[illegible]



THE CHAMBER OF MINES



OF ZIMBABWE

