



Australian Government

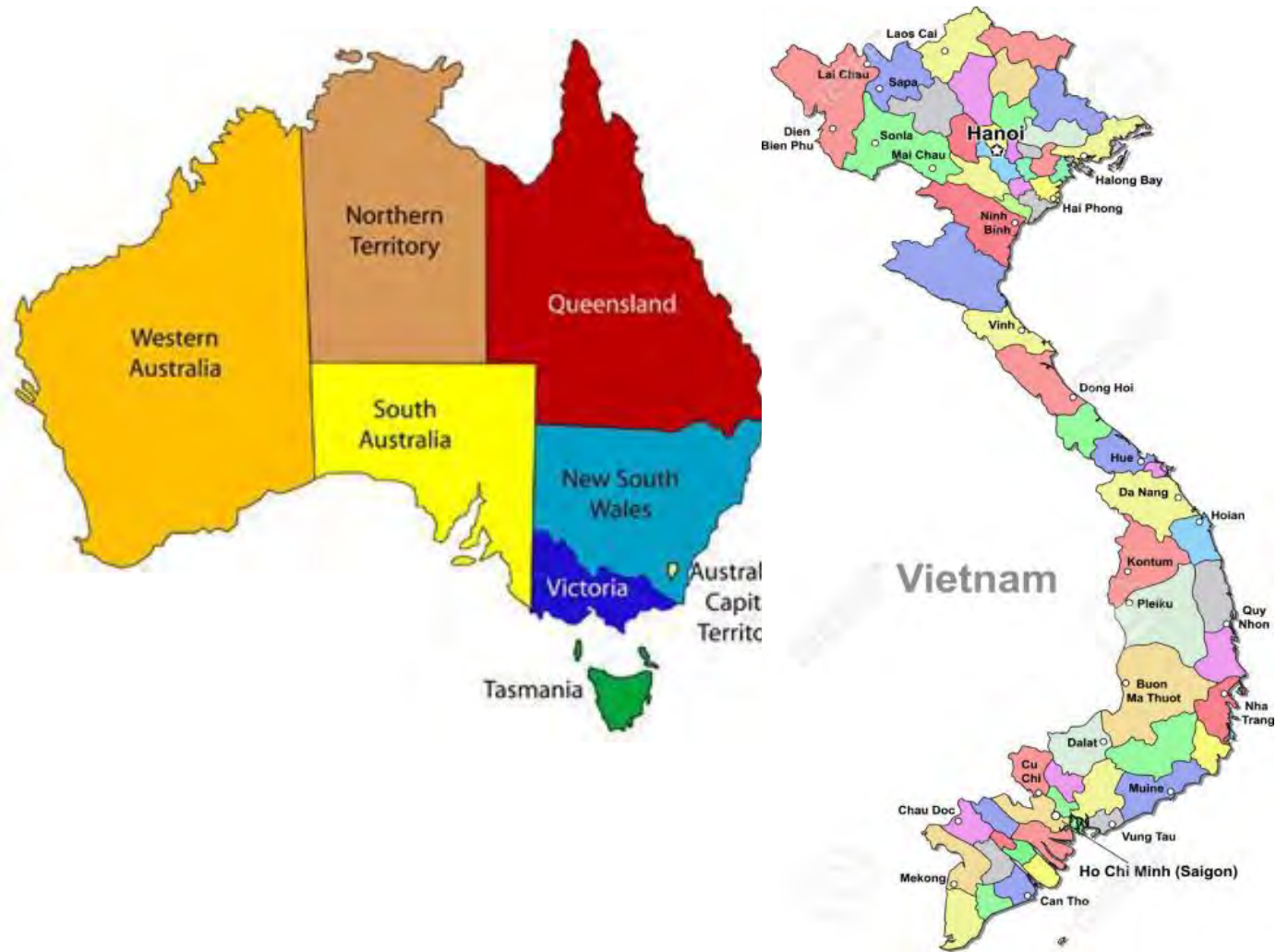
Australian Trade and Investment Commission

Vietnam Mining and Resources profile

IMARC 2020



Vietnam & Australia Trade Relations



Bilateral trade at \$15.6 billion (2019)

- Australia's 14th largest trading partner, and Australia is Vietnam's 14th largest trading partner.
- Australian companies are generally well received in Vietnam.
- Australia is regarded as a modern, technologically advanced and friendly country located within Vietnam's immediate sphere of interest.
- Long-term trade and investment opportunities should increase in line with Vietnam's progress in implementing its legislative and administrative reform program.
- Australia and Vietnamese Prime Ministers agreed to develop an Enhanced Economic Engagement Strategy, with the aim of becoming top ten trade partners and doubling bilateral investment

Why Vietnam

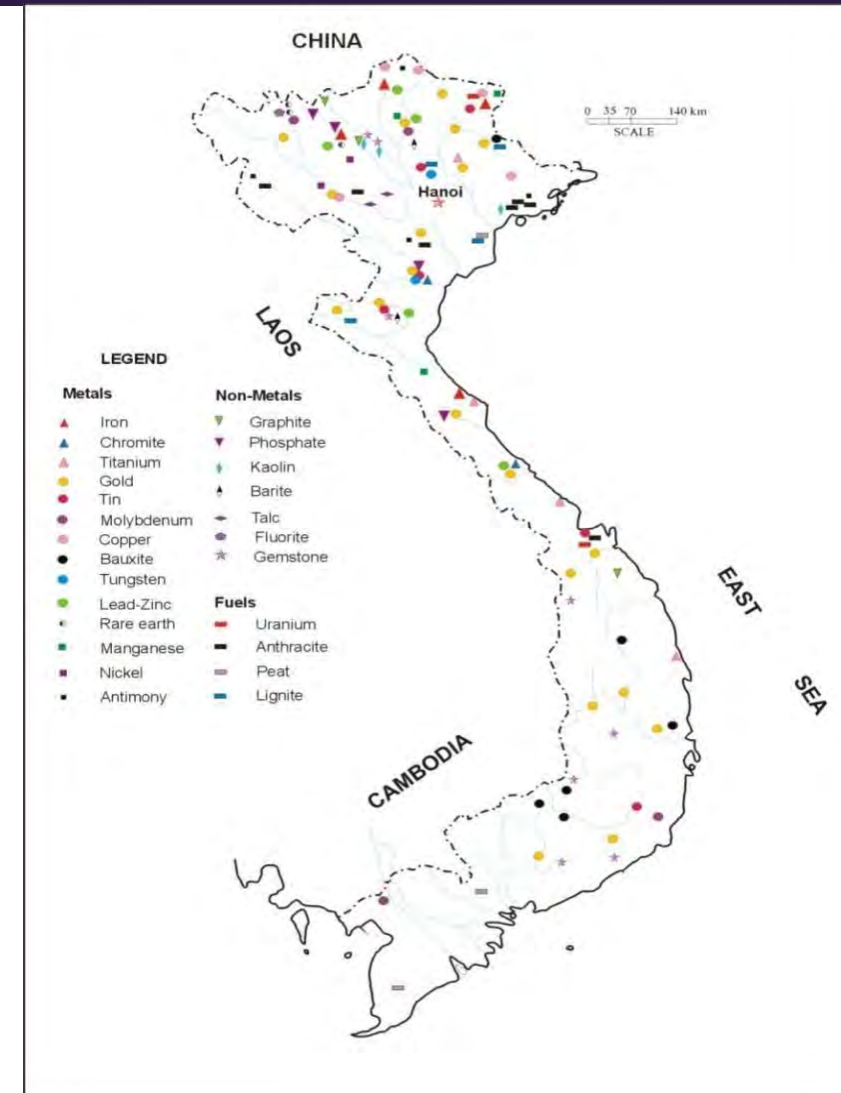
- Population: 97 million;
- Area: 331,698 km²;
- GDP (nominal): US\$260 billion → 2,722 US\$ per capita (2019)
- GDP growth rate: 6.2% p.a. in 2005-2019;
- Covid-19 is under control
- Positive growth 1.8% 1st half 2020 in spite of Covid
- Strong export orientated economy with bilateral and multi-bilateral FTAs



Vietnam Mineral Resources

Vietnam has a wide variety of mineral deposits.

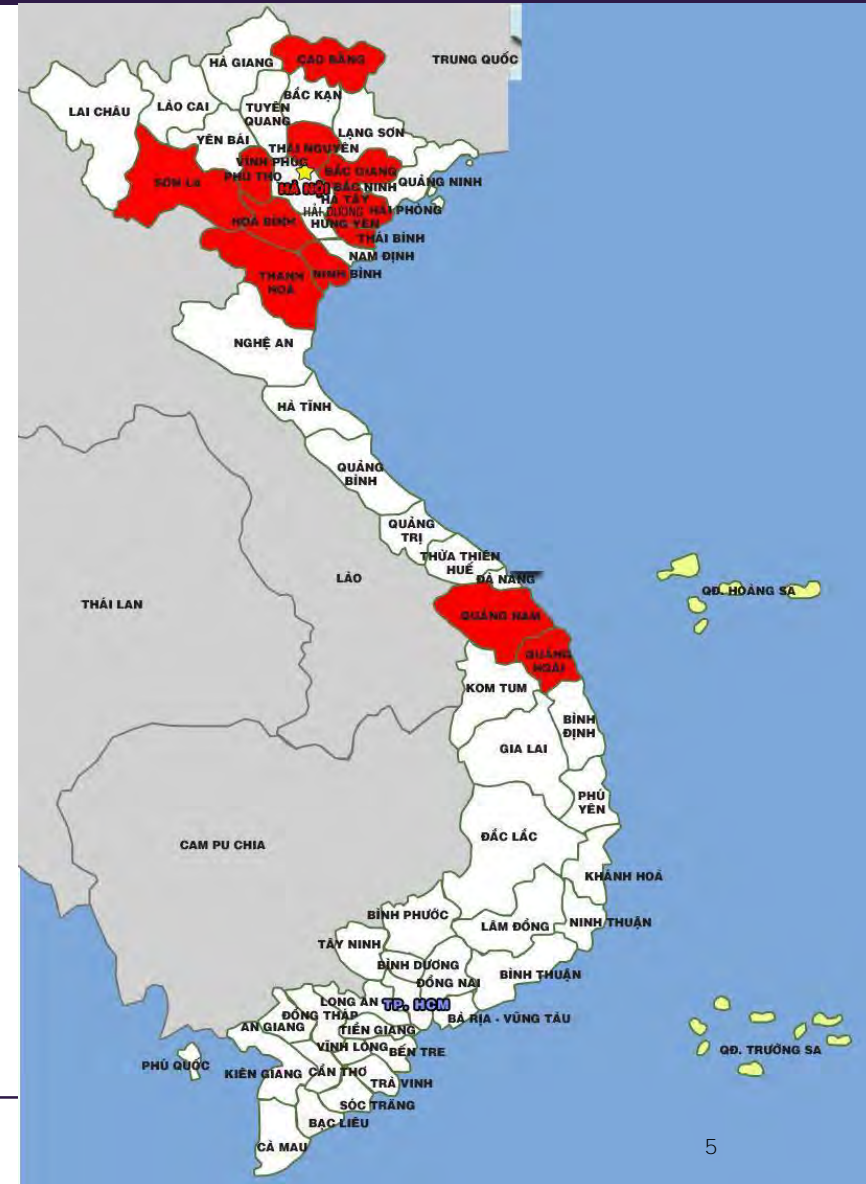
- Coal: dominates mining activities
- Bauxite: substantial bauxite deposit -approximately 5.5 billion tons
- Tungsten: The largest producer outside China with vertical integrated value chain
- Titanium mineral sand: Substantial resources along the coastal line
- Other minerals: iron ore, chromite, copper, tin, gold, lead, zinc, antimony, rare earths, gems, limestone, clay and other construction materials.



Coal Resources and Reserve

- Anthracite reserve to-300m:4bn.t.
- Big resource of sub bituminous in Red River Delta, expected 250bn.t., proven 1.5bn. in 25km2.
- Peat coal in Mekong delta: 10bn.t., proven0.2bn.t.
- Exploited over 170 years (since1840), Vietnam coal is the mainly anthracite type in Quang Ninh area.

Source: Vinacomin



Vietnam Coal Resources (Mil tons)

Coal type	Reserve	Confirmed Reserve	Reliable Reserve	Estimated Reserve	Resources	Total Reserve and Resource
Total	2.260	161	1.137	2.687	42.632	48.878
Dong Bac Basin	2.219	109	395	1.585	1.979	6.287
Red River Delta Basin			525	955	40.531	42.011
Other national coal mines	41	52	74	32	6	206
Local coal mines			10	8	19	37
Lignite			133	107	96	336

(Source: National Coal Master Plan 403 3/2016)

Minerals Processing Industry

BẢN ĐỒ KHOÁNG SẢN VIỆT NAM



Vietnam Mining Market Profile

Industry outlook

- Rich in mineral resources
- Coal mining swift to underground
- Active steel and cement industry
- Mineral processing and deep processing is mandatory
- Need significant infrastructure and logistics capability
- Need stronger sustainable mining practice and regulations

Challenges

- High mining tax regime
- Except for coal, bauxite, most of mines and deposits are small scale
- Higher exploitation cost due to deeper resource
- Outdated technologies
- Environment issues and low safety standard
- Illegal mining

Production

Major Minerals Producers

- Masan High-Tech Materials: vertical integrated producer of tungsten, bismuth, fluorite and copper
- Lam Dong Bauxite and Alumina Refinery
- Nhan Co Bauxite and Alumina Refinery
- Sin Quyen Copper
- Ta Phoi Copper
- Lao Cai Phosphate and Fertiliser
- Phuoc Son Gold
- Viet Trung Mining and Metallurgy

Major Coal Producers

- Vinacomin Group
- Dong Bac Corporation
- Vietmindo

Vinacomin Profile

- 100% State owned economic group
- 88 units under the corporation: Head office, 22 branches, 23 companies 100% owned by Vinacomin, 32 affiliated companies, 7 institutes and training schools, 2 overseas subsidiaries, other joint ventures
- Core business: Coal mining, minerals mining and processing
- Other businesses: Power generation; minerals exploration, explosive materials production, chemical and mechanical services
- Coal production (2019): 40.5Mil tons
- Turnover (2019) VND131,500 Billion (USD5.6Bil)
- Work force: 96,900 (2019)

VINACOMIN production



Production	Unit	2011	2012	2013	2014	2015	2016	2017
Coal mined	Mln.Ton	48.232	44.512	42.687	37.430	37.684	34.791	35.037
Tin bars	Ton	934	833	731	868	648	549	407
Zinc bars	Ton	9464	7,744	8,208	10,800	10,532	10,800	10,947
Refined Copper ore of 25% Cu	Ton	42076	45,569	46,960	47,430	50,190	51,104	50,129
Copper plate	Ton	8130	8,200	9,716	11,151	11,316	11,600	11,496
Iron ore of 61% Fe	Ton	209911	240,900	243,114	130,516	108,927	77,690	132,011
Gold	Kg	305	392	385	564	539	584	557
Alumina	Ton			110,893	483,799	541,845	601,857	1,143,575
Explosive	Ton	65900	57,500	60,876	67,400	70,000	64,300	61,000
Electricity	Mln. KWh	6690	6,305	8,408	8,450	8,991	8,493	9,385
Turnover	Bln. VND	93,969	95,424	100,105	103,568	106,860	101,180	109,200
Submitting to the state budget	Bln. VND		14,000	12,500	12,930	12,500	14,310	14,000
Profit before tax	Bln. VND	7800	2500	3000	2500	600	800	2500

Source: Vinacomin

Other mining projects

Pu Sam Cap Gold project (TPJ)

- Location: Lai Chau province
- Latest update: Under exploration stage, looking for investor

Viet Phuong Bauxite and Alumina project in Laos

- Location: Dak Cheung, Sekong Province, southeastern Laos
- Latest update: Signed contract with Lao government on 11 Sep 2018, inviting for Technical Design of Alumina Refinery

BlackStone Minerals - Ta Khoa Nickel (aka Ban Phuc Nickel)

- Location: Son La province
- Under drilling program and Pre Study of development including mining to processing for battery material supply

Opportunities

- Underground coal mine solutions, equipment, automation
- Open pit improvement and deepening
- Locally manufacturing JV for mining equipment
- Mineral processing technologies, equipment (bauxite, copper, titanium)
- Parts, consumables
- Operation improvement solutions, automation and IT applications
- Commodity supply (coking coal, thermal coal, iron ore)

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Vietnam

Thank you



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Australian Trade and Investment Commission



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