



SPEECH

BY

THE PRESIDENT, HIS EXCELLENCY

DR.E.D.MNANGAGWA

**AT THE SIGNING CEREMONY OF THE AGREEMENT FOR THE
DEVELOPMENT OF THE ARCADIA LITHIUM PROJECT**

HARARE

24 DECEMBER 2021

Management and Staff of Zhejiang Huayou Cobalt; Ladies and Gentlemen.

I am honoured to address you as we witness the signing of an agreement for the development of the Arcadia Lithium Mine. This is a positive development in the country's mining sector as we continue to march towards the attainment of a US\$12 billion mining sector by 2023.

The development further bolsters the important role played by the mining sector for the overall attainment of outcomes set out in the National Development Strategy-1 (NDS-1) and Vision 2030.

On behalf of the Government, people of Zimbabwe and indeed on my own behalf, I am pleased to welcome, to Zimbabwe, a world class partner, Zhejiang Huayou Cobalt, which is listed on the Shanghai Stock Exchange.

The decision by the company to partner Prospect Resources is a statement of confidence in my Government's policies and our economy as a whole. It also re-affirms the success of our mantra, "Zimbabwe is Open for Business" and will leap frog our country into lithium production and value chain industries.

Lithium is the mineral of today and indeed the future. Its numerous uses constitute critical parts of various value chain industries including, portable electronics; glass and ceramics; energy storage and the

manufacturing of electric vehicles. As a country with one of the largest lithium reserves in Africa, we are poised to become a hub for research, development, exploitation and manufacturing of green energy and lithium based solutions.

Zhejiang Huayou Cobalt brings with it, the benefit of significant operational experience, with a focus on research; production of cathode materials; development and production of battery precursor; development of battery metals resources; safety; environmental management as well as development and operation of mining projects in general.

The commitment by Zhejiang Huayou Cobalt to rapidly advance operations at Arcadia is a welcome development. This Agreement therefore capacitates Prospect Resources to accelerate their activities in Zimbabwe over the coming years. This partnership is further envisaged to result in the development of a broad portfolio of high-quality battery metals projects. In addition, such a pathway brings significant Foreign Direct Investment, broadens employment opportunities as well as royalty and tax revenue for our country.

Ladies and Gentlemen,

As you are aware, Zimbabwe is host to abundant natural resources and highly diversified mineral endowments. Historically, our mining

industry has been mainly based on gold, chrome, platinum and diamonds, among others.

We are therefore enthused by the emergence of companies such as Prospect Resources and Zhejiang Huayou Cobalt. Their focus on lithium mining and value chain industries will see this key mining sub-sector immensely contributing to the realisation of development which leaves no one and no place behind. It is my expectation that investments of this nature will equally help lift many of our people out of poverty and into prosperity.

In this regard, my Government will continue to implement comprehensive reforms to enhance our country's competitiveness in this and other sectors. In keeping with the tenets of ease of doing business, the Ministry of Mines and Mining Development and other Government Ministries, Departments and Agencies are directed to support this and other initiatives towards increased investments into our economy.

It is now my honour and privilege to congratulate Prospect Resources and Zhejiang Huayou Cobalt for the signing of this transformational Agreement. Rest assured that you have my Government's full support to facilitate the unlocking of maximum value from this strategic mineral resource, for win-win benefits. Let us move forward with speed

and make this venture a great success. With unity of purpose, we will prosper together and build a Zimbabwe we all want.

With these remarks, I wish the parties to this Agreement success in the implementation of the business transaction and declare this a positive step forward, for Zimbabwe.

God bless you all.

God bless Zimbabwe.

I thank you.