



KAJ Mining Projects

The Future



KAJ Mining LLC

Zimbabwe Mineral Consulting Exploration and Development Company

KAJ is uniquely positioned to help those interested in seeking mining investment opportunities in Zimbabwe. We can provide consulting services to navigate the entire regulatory and political framework including both the Zimbabwe Ministry and Chamber of Mines. Additionally KAJ can provide geographic, geological and industry research and analysis leveraging its industry relationship.

Beyond industry consulting, KAJ has two investment opportunities to develop Manganese and Graphite mines in areas that have been sampled and known to have superior mineral grades. The company is in the process of acquiring and licensing from the Ministry of Mines approximately 150 hectares of land for each mineral with the goal to develop a complete mineral processing and beneficiating operation in 2018. Each mineral deposit and development opportunity is geographically positioned advantageously to both rail and highway infrastructure ensuring efficient logistics to market.

Graphite

- Is a natural form of carbon hexagonal crystalline structure
- Extracted using underground and open pit mining methods; occurs as flake or lumps and spherical (processing flake into a sphere of concentrate)
- 99.99% of graphite concentrate can be achieved through purification processes



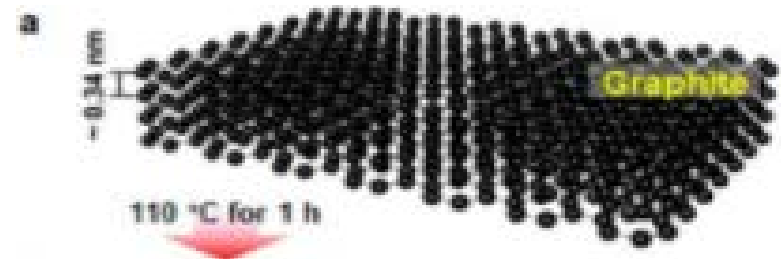
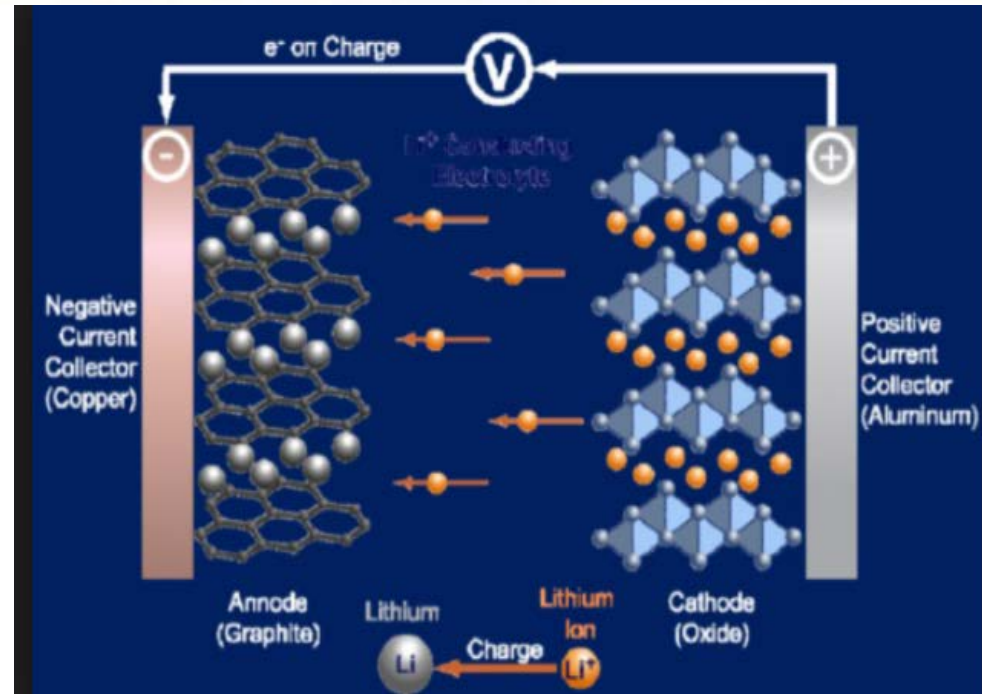


SPHERICAL GRAPHITE

- Spherical graphite is a key ingredient used in anodes for lithium ion batteries
- The round shape gives great energy capacity for anode
- Spherical graphite has historically been produced from synthetic graphite a costly option when compared to natural flake graphite
- Natural flake graphite creates a competitive environment for synthetic graphite as natural spherical graphite cost less to reduce overall
- Currently China and Japan dominate the global market in producing spherical graphite anodes and supplying battery manufactures. This means there is opportunity to create new alternatives for the anode supply

Spherical Graphite Anode

- It is used in Lithium ion batteries as the **anode**
- Makers of electric cars are using spherical graphite



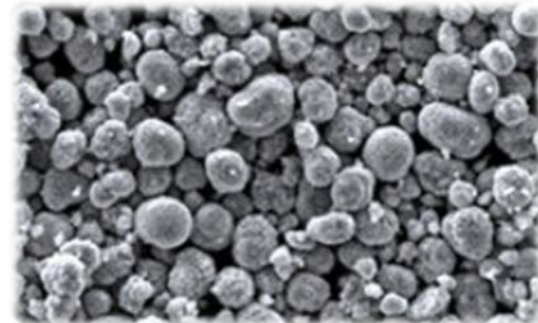
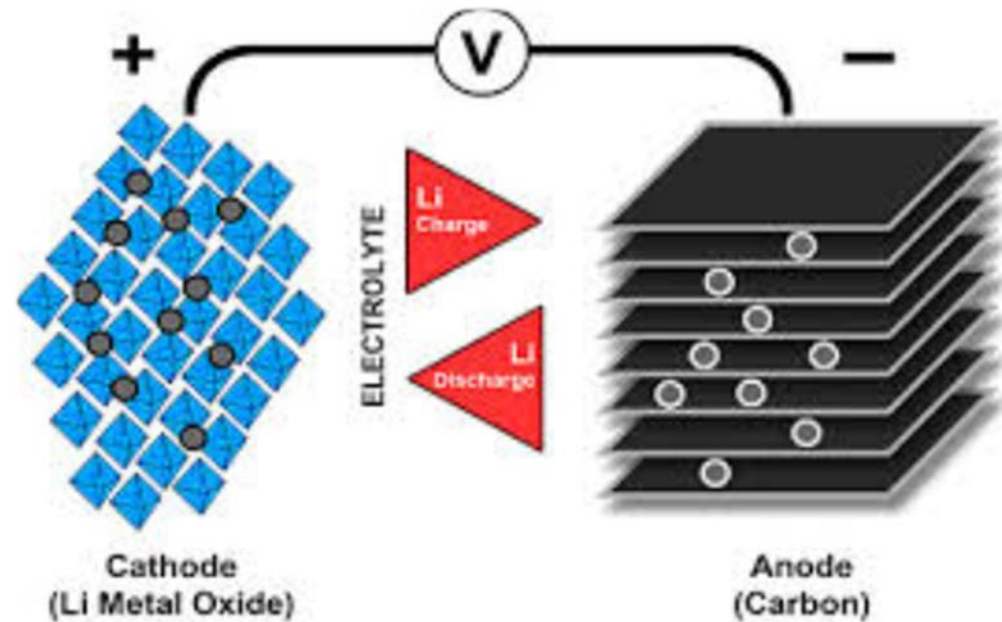
Manganese

- A brittle silver gray metallic element that occurs in metamorphic rocks or sediment deposits
- Majority open pit mining
- Pure manganese is achieved by electrolytic, hydrometallurgical
- Its is used as an alloy in smelting processes
- Has a versatile uses; largely used in the steel manufacturing industries
- Used in the cathode manufacturing of Lithium nickel manganese cobalt oxide battery



Lithium Nickel Manganese Cobalt Oxide Cathode

- Is made up of part nickel, manganese and cobalt
- Cobalt is generally expensive as a raw material adding nickel and manganese the cathode processing lowers the cost to produce the battery.
- NMC battery has low self heating, rechargeable characteristics that make the battery suitable for EV

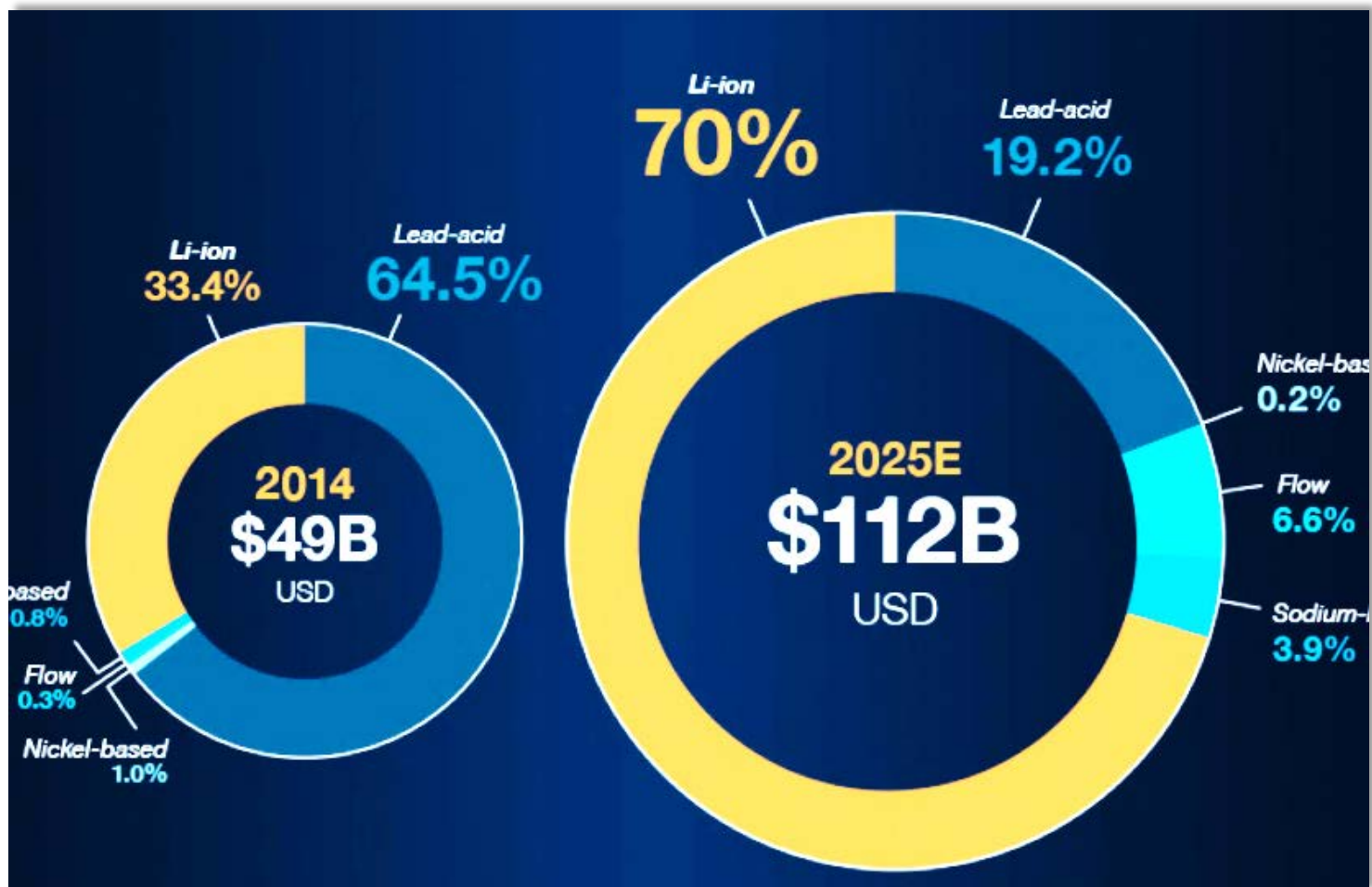




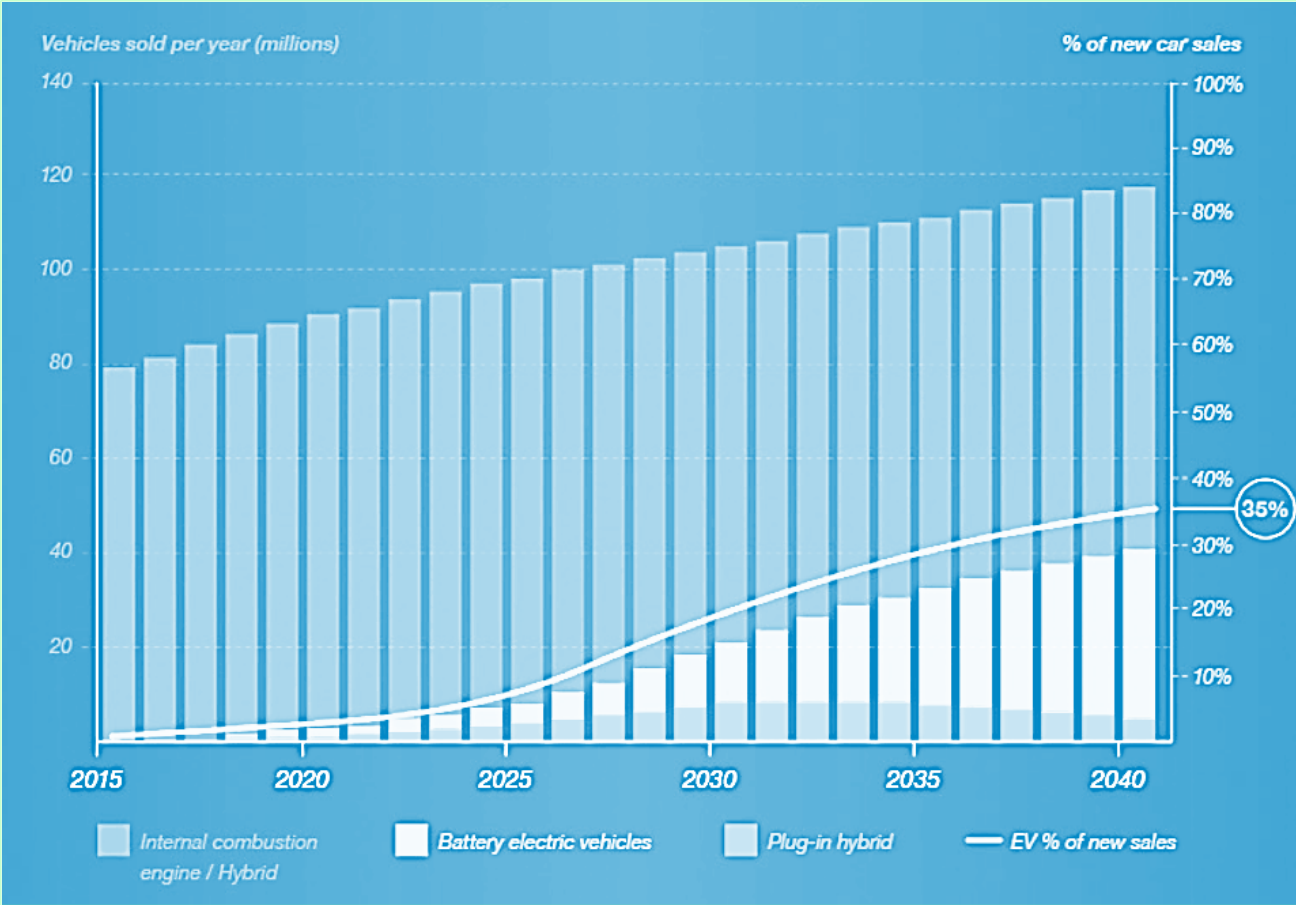
The Electric Vehicle Expansion

- IEA The International Energy Agency predicts that about 157 million electric vehicles will be on the road by 2030, a jump from 2 million in 2016
- A demand for EVs is largely influenced by countries setting legislation to significantly reduce diesel and gasoline cars
- For example some European countries like France and the U.K will start to ban the sale of gasoline and diesel cars as early as 2025

Lithium-Ion Battery Demand



35% of Electric Vehicles Operating by 2040



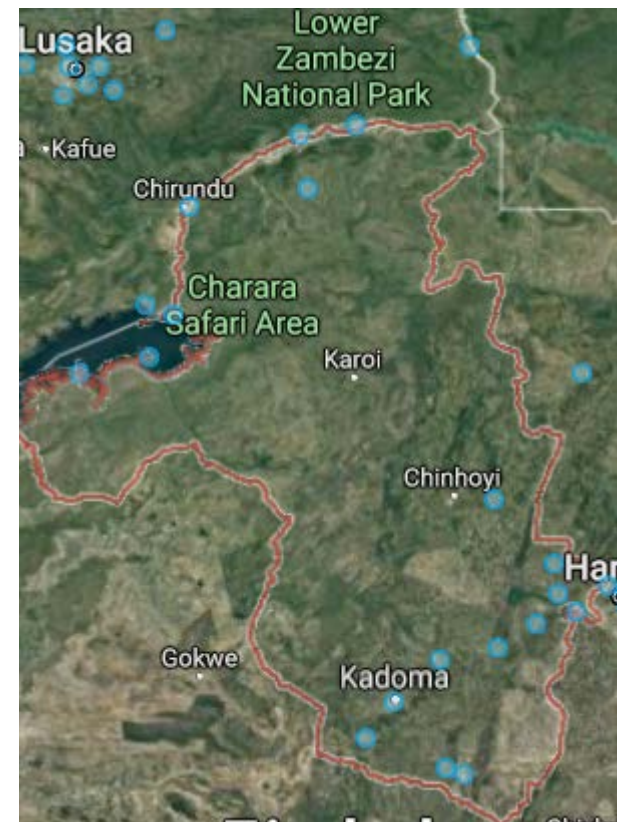


KAJ MINES

GRAPHITE AND MANGANESE

Graphite Mine

- Gr mine in prospect phase area is 150 hectares
- Flakey Graphite confirmed and testing in progress
- Further exploration and testing required
- Mine is close rail and road and Beira port in Mozambique for export



Manganese Mine

- 150 hectares in prospect phase
- Mineral confirmed and testing in progress
- Mine is accessible to rail and road transport to Beira port in Mozambique for export





Zimbabwe is Open for Business

- Mining is a priority for growing the economy in Zimbabwe
- Foreign investors can own up to 100% in all mining projects except for platinum and diamonds (51% /49%)
- The country has about **800 mines** with a potential of earning **US\$18billion per year**
- Since 2009 to present the country has been returning **US\$2 billion per year in mining revenue**
- With the new administration the country is open for business!

Investor Incentives

Table 14: Fiscal Incentives on Offer into Special Economic Zones

Incentive Area	Actual Incentive
Corporate Tax	Zero-rated Corporate Income Tax for the first 5 years of operation and corporate tax rate of 15% thereafter.
Customs Duty on Capital Equipment	Duty free importation of Capital equipment
Special Initial Allowance	Special Initial allowance of 50% of cost from year one and 25% in the subsequent two years
Employee's Tax	Exemption from Non-residents tax on fees on services that are not locally available.
Non-Residents Withholding Tax	Exemption from Non-residents tax on Dividends, Fees and Royalties
Capital gains tax	Zero rated for Capital gains tax.
Customs Duty on Raw Materials	Inputs which include raw materials and intermediate products imported for use by companies set up in the SEZs be imported duty free. The duty exemption will, however, not apply where such raw materials are produced in Zimbabwe.
New Clean Technologies	Importation of clean technologies, those that pre-treat effluent, solid waste and emissions to the Blue and Green Bands should be imported duty free in order to promote the use of environmentally friendly technology.



Tax Incentives for Investors

Build Own Operate and Transfer (Boot) or Build Own Transfer (Bot) Arrangement:	
First 5 Years	0 %
Second 5 Years	15 %
Industrial Park Developer	
Before 5th Year Of Operations	0 %
After 5th Year Of Operations	25 %
Special Economic Zones Licensed investor	
First 5 years	0 %
After 5 years	15 %
Special Mining Lease	15 %
Pension Funds	15 %
Tourist facility in approved Tourist Development Zone	
First 5 years	0 %
After 5 years	25 %
Manufacturing of a company which exports	
• between 30% to 41%	20 %
• above 41% to 51%	17.5%



The End