



Mineral Mining

Mari Petroleum Company Limited

**Investment Opportunities in Pakistan**



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# MPCL - Company History

**1957**

Mari Gas Field discovered by a joint venture of Esso Eastern and Government of Pakistan



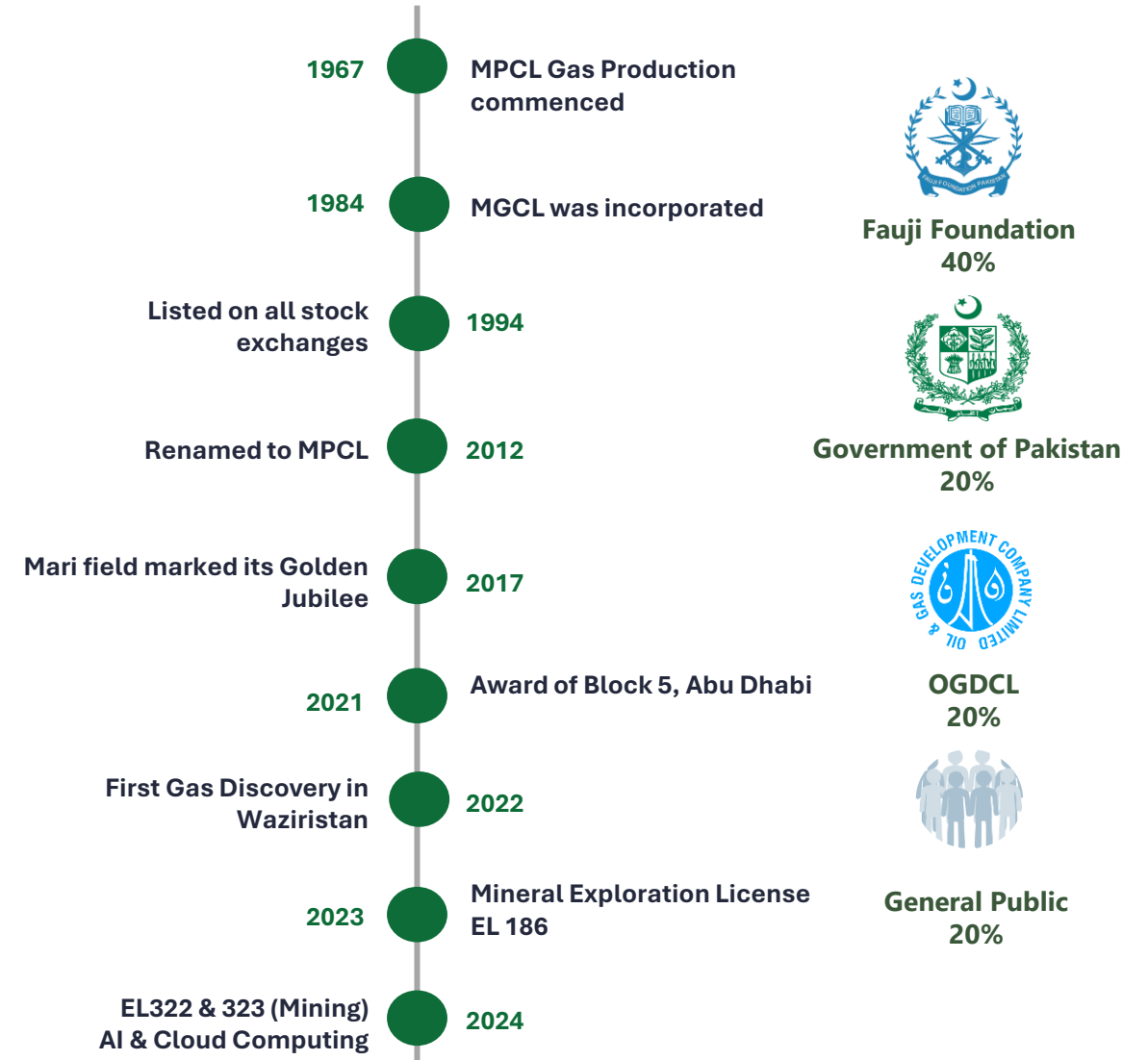
**2024**

Mari Petroleum Company Limited

Mari Mining Company (Private) Limited

Mari Technologies Limited

SKY47 Limited



# MPCL – 2<sup>nd</sup> Largest Oil and Gas Exploration & Production Company in Pakistan

- 2<sup>nd</sup> Largest Exploration & Production (E&P) Company in Pakistan**
- Diverse Operational Expertise**  
Exploration, Production & Field Development  
Provision of E&P Related Services
- E&P Portfolio & International Presence**  
35 EL including 13 D&P Leases  
Offshore Block 5, Abu Dhabi UAE
- Portfolio for Cu / Au Mining**  
EL 186, EL 322 & 323 in Chaghi Bln.
- Services Division-**  
Integrated services for G&M, seismic acquisition, processing & drilling services
- Ensuring Pakistan's Food Security**  
90% urea production in Pakistan is manufactured with gas supplied by MPCL

## FY2024: Highlights

**Daily Production Level**

**115** BOE/day

**Net Sales**

**USD 641** Mn

**Net Profit**

**USD 273** Mn

**Contribution to Exchequer**

**USD 297** Mn

**Net Assets**

**USD 600** Mn

**Market Cap**

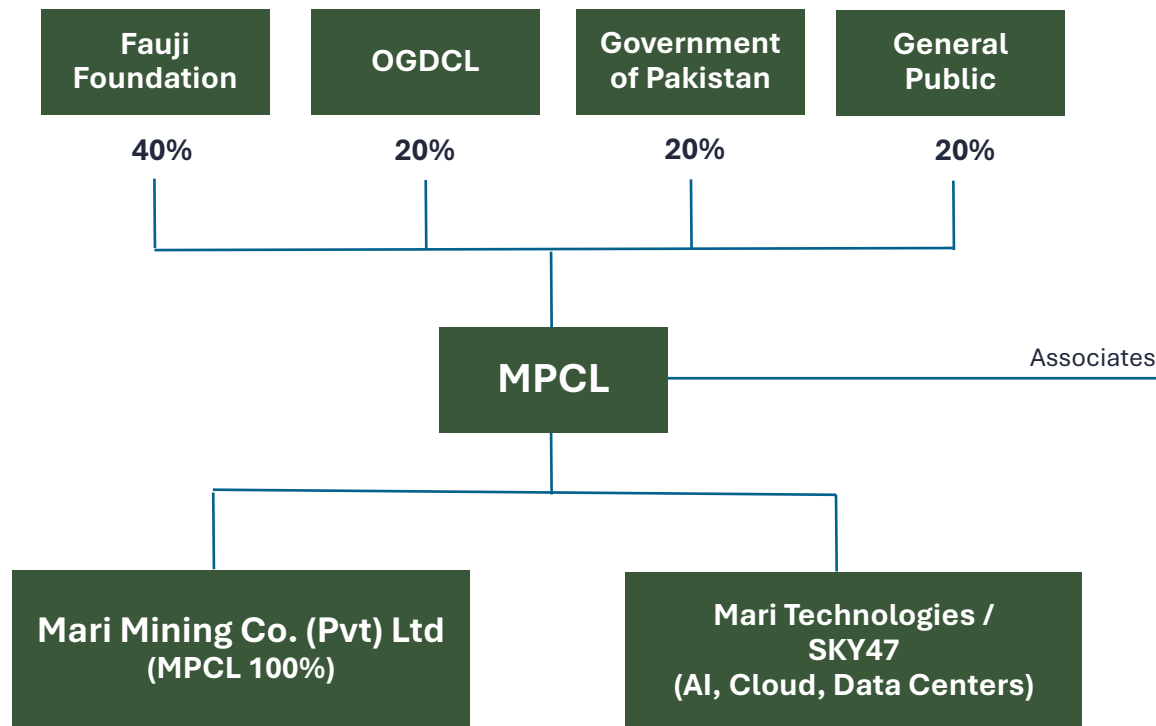
**USD ~ > 1.5** Bn
























2P Net Reserves & Resources

# Our Corporate Umbrella

## FAUJI FOUNDATION: LARGEST BUSINESS CONGLOMERATE OF PAKISTAN HAVING 25+ WHOLLY OWNED AND/OR ASSOCIATED COMPANIES



| Agriculture Vertical  | Energy & Infrastructure Vertical  |   |
|---|---|---|
|    |           |   |
| Construction Vertical   | Food Vertical   | Financial Services Vertical   |
|   |        |   |

Fauji Foundation is the largest social welfare network outside Government, and one of the largest business conglomerates operating in Fertilizer, Cement, Power Generation, Renewable Energy, Oil & Gas exploration, Marine Terminal, Food and Banking sectors of the country.



## In-House Integrated E&P Services Arm

- Mari Services Division (In-house integrated E&P services arm) was created in March 2014 to enable MPCL to enhance its in-house seismic acquisition and drilling capacity to explore in security sensitive but high potential areas in the wider national interest



**Seismic Units**

3 Crews for 2D & 3D Seismic Surveys



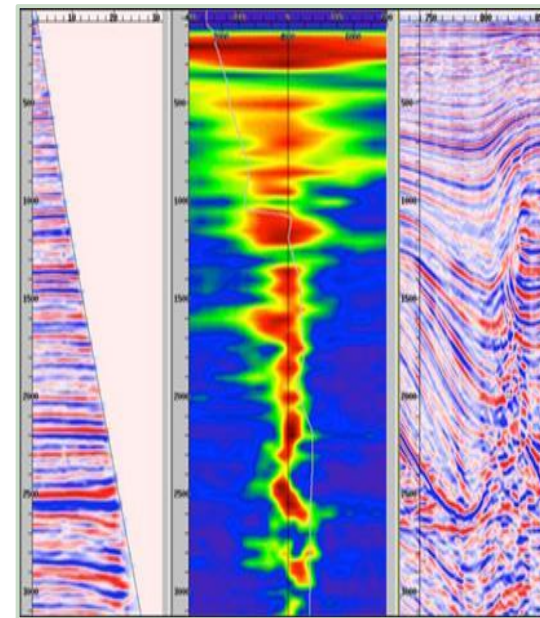
**Drilling Units**

5 Land Drilling Rigs  
Depth rating of 4000-8000 m



**Mud Logging Unit**

Geolog™ Equipment  
Certified for DNV 2.7-1



**Processing Center**

2D/3D Processing & Imaging  
Reservoir Characterization



**Gravity & Magnetic Unit**

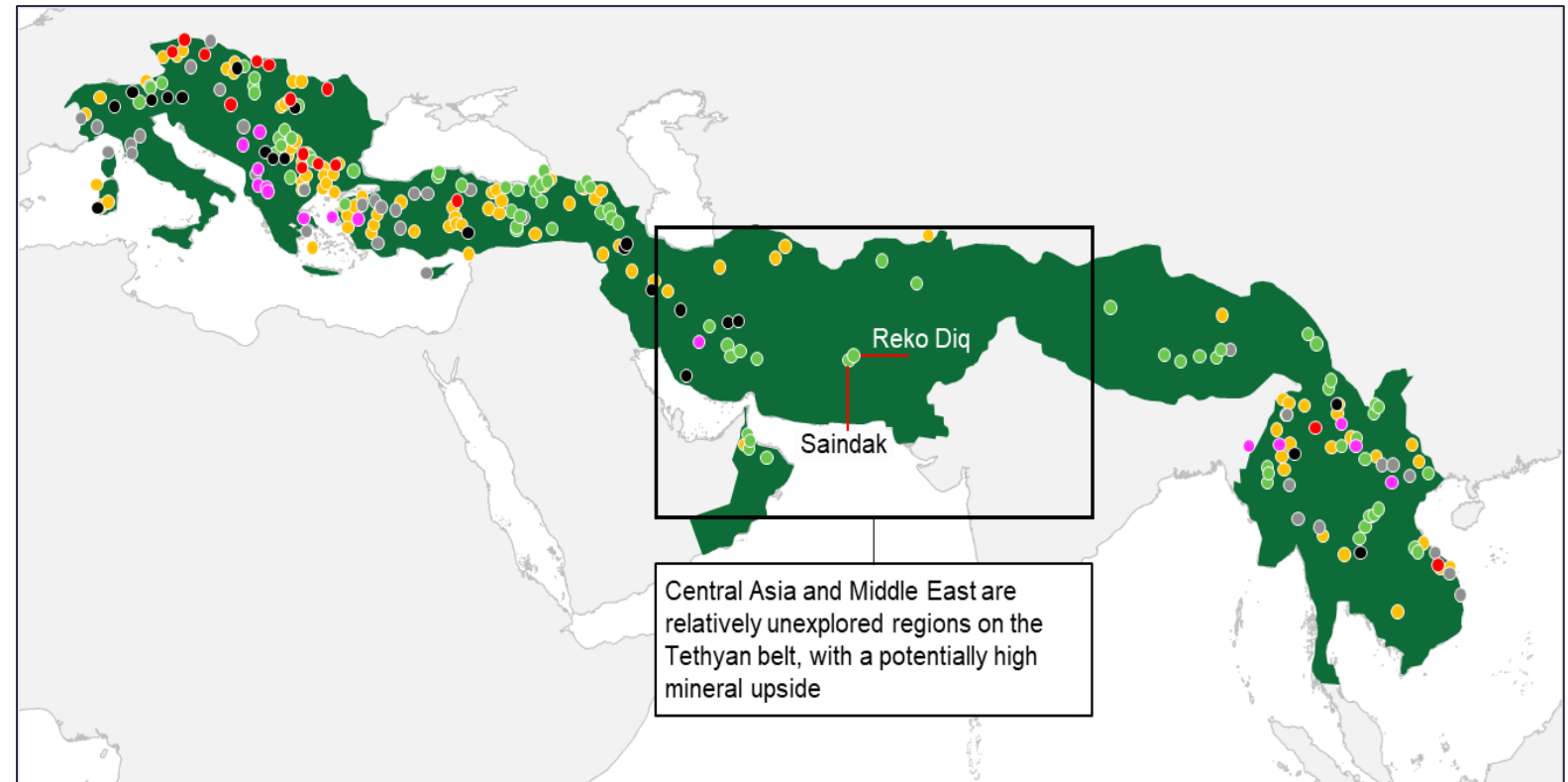
For Gravity and Magnetic Surveys

## MPCL's Target Portfolio is Part of Chagai Magmatic Belt...

Untapped Critical Mineral Potential of Chagai Belt – a final destination of the Prospective Tethyan Belt

### Key Highlights

- The 3,000 km-long Tethyan Metallogenic Belt, spanning Central Europe to Pakistan, is rich in porphyry copper-gold and base metals, with many reserves already developed.
- The Chagai Belt, an untapped part of this belt, holds significant porphyry copper and intrusion-related deposits.
- The Chagai Arc, covering 500 x 140 km, lies mostly in Pakistan, extending into Iran and Afghanistan.
- Chagai is the largest district in the country (~50,000 sq. km), with a low population density of ~5 people per sq. km
- Highly prospective, with a growing number of discoveries and mining infrastructure being constructed
- **Potential deposit types:**
  - Porphyries, Vein Hosted Deposits, Epithermal Deposits, VMS deposits or Cu Skarns



1. The Tethyan Belt spans across 33 countries
2. Based on total number of discoveries through 1965-2015, i.e. 246. Includes 5% undeclared discoveries. Excludes bulk minerals (e.g., bauxite, coal and iron ore)
3. Includes Greece and Turkey
4. Includes Oman, Armenia, Iran, Afghanistan and Pakistan
5. Includes selected regions of India (Arunachal Pradesh, Himachal Pradesh, Jammu & Kashmir, Sikkim and Uttarakhand), Bhutan and selected regions of China (Tibet)
6. Includes Cambodia, Laos, Myanmar, Thailand, Vietnam, Yunnan

Source: Minex - Society of Economic Geologists 2016 Conference



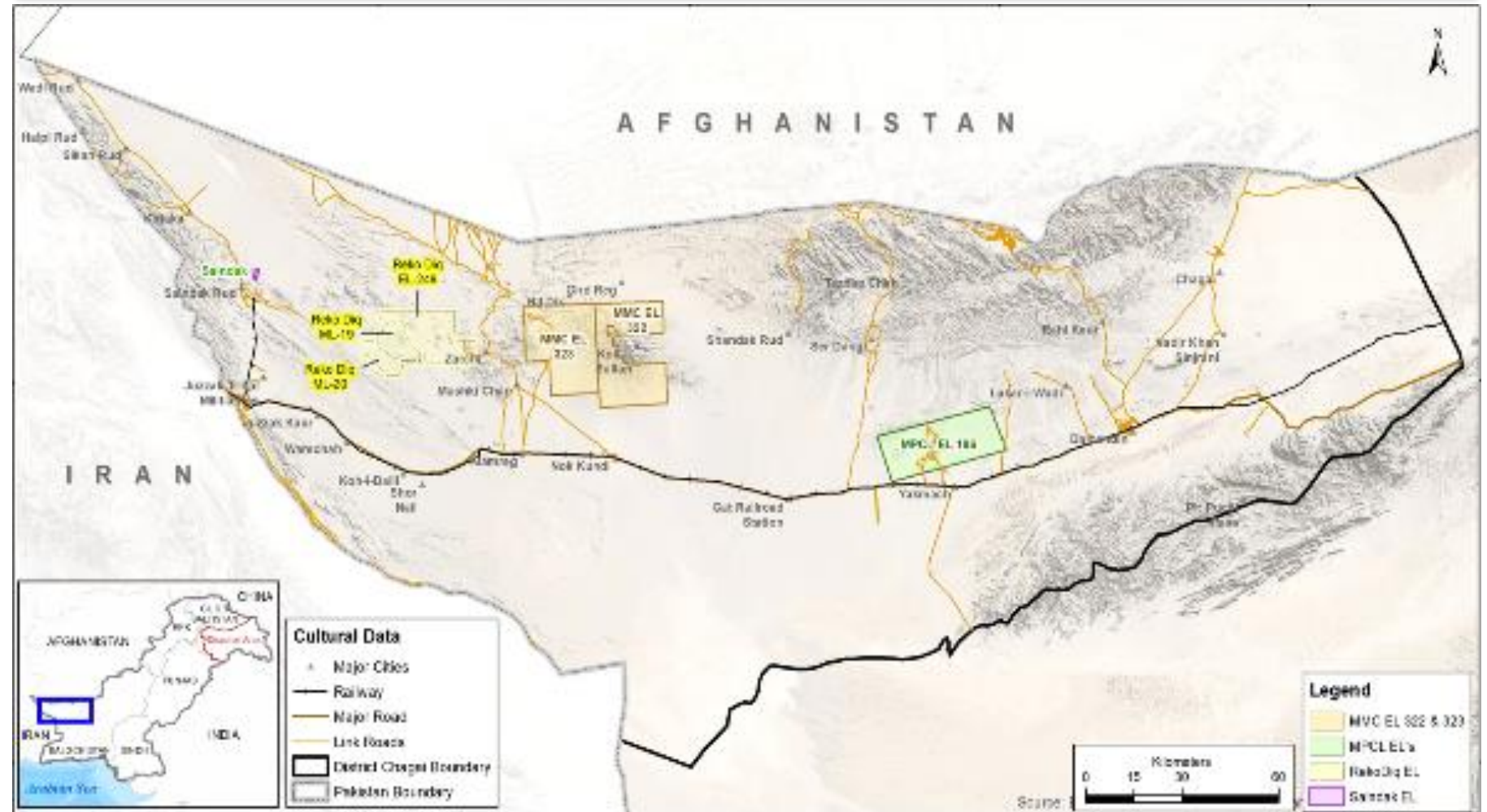
# MPCL Developing its Portfolio on Identified High Value Copper-Gold Targets

MPCL/MMC has recently acquired 02 Els 322 & 323 at Koh-i-Sultan in addition to its EL-186; 05 applications for Els are pending

## Key Highlights

- Target Minerals: Copper, Gold, Silver, Lead, Zinc, Platinum Group Metals, Molybdenum, Iron and Base Metals
- Available License Area: ~4,000 sq.km
  - Accessible via N40 (Quetta-Taftan Highway), and through rail network.
  - Airport is at Dalbandin
- Close to the world-renowned Reko Diq copper/gold porphyry system - Presence of magnetic anomalies
- MPCL Offers Unique Opportunity to Explore Koh-i-Sultan Porphyry Targets
- Regional Target Generation Study has produced an inventory of high value porphyry targets integrating all available legacy data sets

## MPCL AOI for Copper & Gold Exploration





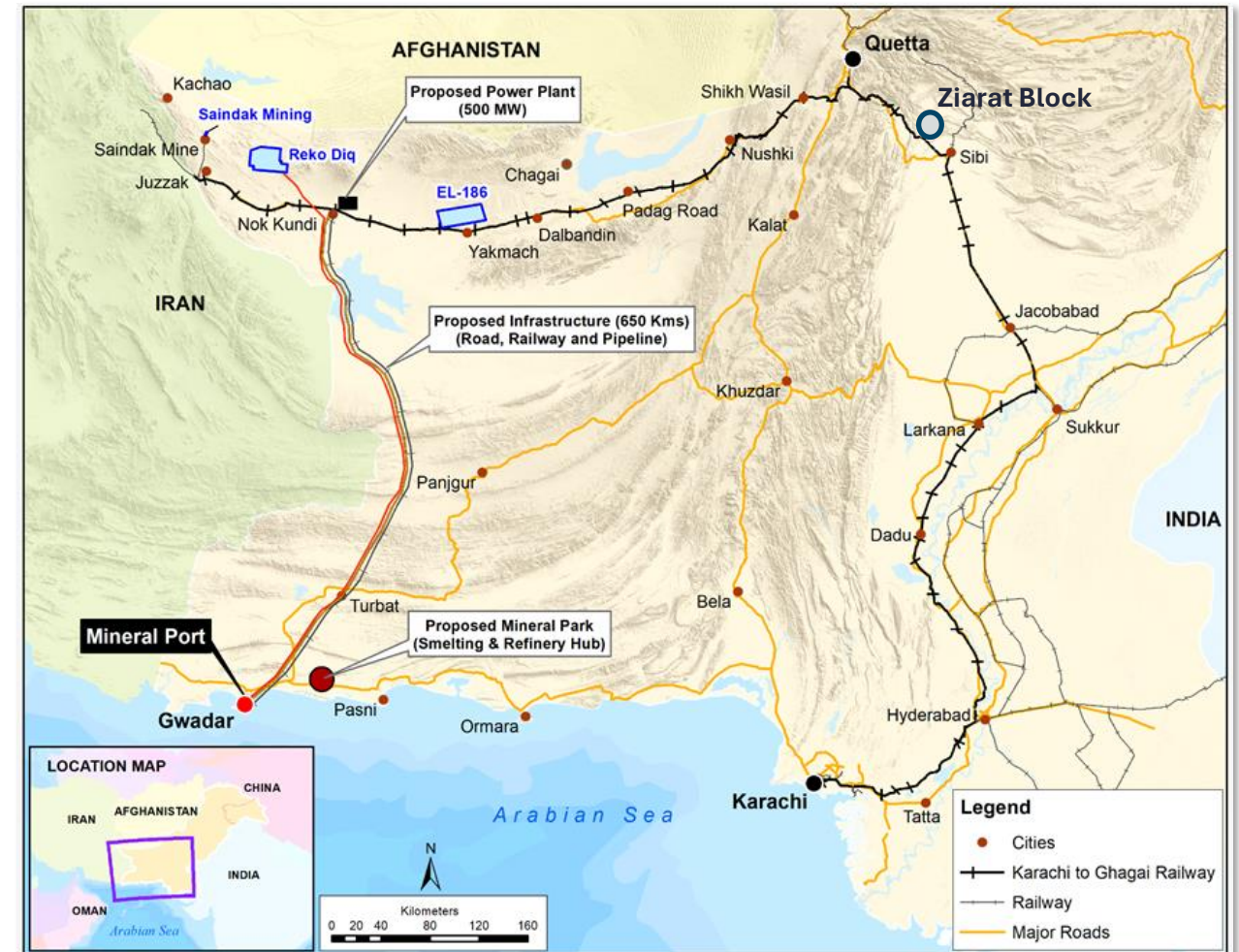
## Existing Infrastructure Provides Connectivity, with Additional Developments Planned

Existing port, road and rail network, as well as additional planned developments, will provide connectivity to support mining corridors and enable the export of concentrate

### Infrastructure Ready to be Deployed

- > 250,000km of road networks and ~12,000 km of railways play a crucial role in connecting cities, facilitating trade, and fostering economic growth across the country
- The Chagai District is connected to in-country port infrastructure which has the capacity to export concentrate to global markets
  - **Karachi port:** connected via national highway and railway network
  - **Gwadar port:** deep water port inaugurated in 2007 accessible via road network – additional rail and road connectivity to be undertaken
- Proven expertise in power projects, including renewables, with plans to build a 500MW power plant in Dalbandin, Balochistan, to support future mining activities.
- New infrastructure planned:
  - Railway connectivity from Chagai to Gwadar
  - Dual carriage road from Chagai to Gwadar
  - Development of mineral export port at Gwadar
  - Setting up copper and gold smelting, refining, and metal processing industries

### Chagai Magmatic District Infrastructure



## Mineral Sector is Regulated Provincially...

Pakistan is a federal country and mineral resource ownership is regulated via provincial regulations. **Government is actively working on the harmonization of the legal and fiscal regimes**

### Constitution of Pakistan

|   | Federal | Provincial |   |
|---|---------|------------|---|
| Mineral deposits excluding oil, gas & nuclear | –       | √          | As per 18 <sup>th</sup> Constitutional Amendment (2010), all minerals now fall under the purview of provinces |
| Acts, Policies                                | √       | √          | Legislations exist at Federal & Provincial levels   |
| Rules & Regulations                           | –       | √          | Mineral Mining Rules & Regulations framed by Provinces  |
| Mineral Titles & Permits                      | –       | √          | Conditions of award set by Provinces  |
| Fiscal Framework                              | √       | √          | Royalty & tax regimes – concessions given   |
| Environment Regulations                       | √       | √          | Federal EPA & Provincial EPAs   |

- *Rules and Policies are regularly updated to make them attractive for International Investors.*



## ...Indicative Fiscal Regime for Balochistan...

The Government of Pakistan is currently undertaking a study on fiscal benchmarking to attract FDI into the mining sector

| Description                | Rate                             | Comments   |
|----------------------------|----------------------------------|--|
| Government share           | 10% Free; 15% paid               | Gov. may agree on a lower share  |
| Initial Gov. Fee           | USD 100k                         | Applicable at the time of application and award of license   |
| Royalty                    | 5%                               | of gross revenue / fair market value   |
| Corporate Income Tax (CIT) | 29%<br>(Based on taxable income) | Tax holidays maybe offered on case to case basis. There is minimum tax of 1.25% of gross turnover.   |
| Depletion allowance        | 20%                              | of taxable Income subject to certain conditions under ITO, 2001                                      |
| Export of Material         | 1% of Export proceeds            | If exported , Normal Corporate Income tax will not be applicable in this case                        |
| WPPF / WWF                 | 5% / 2%                          | Applicable during production phase   |
| Dividend WHT               | 15%                              | Exemptions maybe offered   |
| Customs Duties             | 0% / 5%                          | Zero on imports during exploration. 5% with no GST on imports for mine development/extraction phase. |
| General Sales Tax          | 18%                              | No GST on exports.   |
| CSR                        | 2% – 4%                          | Indicative, applicable on net profit.  |

## ...Facilitation and Protection of Foreign Investment

The Government of Pakistan has been award Acts to protect FDI and established high level authority to facilitate the investors

### Foreign Investment (Promotion and Protection) Act, 2022

- Foreign Investment Protection Act protects the rights of investors and adjudicates various tax concessions and exemptions to investors, including the provision of Export Processing Zone incentives and facilitation of investment.
- This bill also facilitates and encourages direct foreign investment in capital intensive industry where direct foreign investment is required through guarantees assured by laws and regulatory measures.

### Establishment of Special Investment Facilitation Council (SIFC)

SIFC focus is:

- Investment and privatization, initially in five areas: Defense, Agriculture, Minerals, IT and Energy
- “One Window” to facilitate investors, establish multi-domain cooperation in relevant fields and fast track projects
- Ease of doing business by overcoming systematic / bureaucratic hurdles & optimizing horizontal-vertical synergy
- Long term road map for growth and investment in relevant fields
- Coordination with Government of Pakistan for the above



## Overall Secure Environment and Potential Availability of Water Resources

Overall, security situation in Chagai District is satisfactory. Work in progress to find and acquire water rights

### Security of Operations

- Currently Metallurgical Corporation of China Limited (MCC) and Barrick Gold are operating in the region
- Security Cover is being provided by LEAs
- Strategic partnerships with local and national security agencies to enhance collaboration and intelligence-sharing is essential to bolster the overall security framework

### Water Resources

- Mining projects in Chagai, Balochistan, face significant challenges due to limited water availability in the region
- The region's water portfolio includes a variety of sources, ranging from seasonal streams to aquifers and connate water reservoirs
- Presently, mining operations rely on seasonal streams originating from the high areas of Chagai to meet their water needs
- Playa lakes, such as Hamun-i-Lora and Hamun-i-Mashkel, serve as essential reservoirs, capturing water from seasonal streams
- Mining projects may explore the potential presence of connate water in sedimentary rocks spanning the Paleocene to Miocene Epochs, preserved in the Dallbandin Trough
- Reports suggest the existence of hydrothermal waters and springs around Koh-i-Sultan, adding an additional dimension to water resources available for mining ventures.

## A Win-Win Proposition

- MPCL's portfolio offers an excellent opportunity to enter an under explored and highly prolific mineral province to build a long-term and sustainable business and contribute towards the energy transition
- MPCL enables to forge a partnership with a robust local entity, backed by comprehensive support from key stakeholders
- The JV structure with MPCL has the potential to provide very low-cost entry point to identify a potentially significant mineralized porphyry system in one of the few under explored areas for copper and gold deposits in the world.
- There are no obstacles to join or exit; only a minimal investment of up to USD 0.1 million is needed to obtain a license
- MPCL provides the opportunity to get access to a potential land package of around 1500 to 2500 sq km. Additional areas may also be secured upon firming-up interest
- Once the initial work program is completed and the joint venture demonstrates on-the-ground performance, MPCL and JV company together would be well-positioned to apply for additional licenses
- Mining regime allows for flexible and reasonable exploration spend requirements. Estimated capital requirements for exploration in three years period are around USD 25 - 30 million (each license)
- Further engagement and data sharing would be after signing of NDA



## MPCL, A Partner of Choice

### Key Contacts

- All communications and queries may be directed to the following dedicated personnel:

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**Thank You!**

