



GUYANA
OFFICE FOR INVESTMENT
OFFICE OF THE PRESIDENT
GOVERNMENT OF GUYANA

Mining

Investment Portfolio





Hon. Vickram Bharrat, Minister of Natural Resources

Mining in Guyana

- Guyana is generally well known for its traditional mining and production of gold, diamonds, bauxite, stone and other quarriable materials including sand and loam.
- There are several other strategic commodities that could benefit from capital investments for exploration, refining and manufacturing development and export.

Declaration for Commodities

Commodities							
Year	Gold (kgs)	Diamond (Cts)	Stone (Tonnes)	Sand (Tonnes)	Loam (Tonnes)	Laterite (Tonnes)	Bauxite (x 1000 Tonnes)
2016	22,915.16	139,889.59	517,770.20	1,687,657.87	23,564.34	NA	1,480.43
2017	21,019.69	52,161.06	588,936.62	1,674,490.19	51,053.74	NA	1,481.50
2018	19,812.98	62,110.71	661,476.12	6,473,843.66	73,910.85	NA	1,924.46
2019	20,413.63	54,993.14	635,506.20	3,423,143.25	66,574.99	2,030.00	1,920.33
2020	18,823.01	24,760.06	672,949.31	1,444,934.40	41,096.25	NA	595.29
2021	16,045.73	45,106.18	854,850	4,236,187.48	186,772.54	NA	618.45
2022	15,639.36	83,614.44	935,078	6,411,181	508,833.99	NA	706.58

Why Invest in Guyana

Mining in Guyana

- Geologically, approximately 36% (76,600 sq.km) of Guyana encompasses highly mineralized crust, the **Greenstone Belts**.
- Most of the small, medium and large-scale mining operations exist within this terrain which structurally trends NW-SE.
- Majority of the alluvial Diamond and Gold mining operations exist within the Roraima Formation which covers approximately 12% of Guyana (26,520 sq.km).
- The Roraima Formation is predominantly fluvatile sandstones and conglomerates of middle Proterozoic age.

Gold Mining in Guyana

- ➔ Gold Reserves of 14.3 million ounces
 - ➔ Manganese Reserves of 30 million tonnes
 - ➔ Copper Reserves of 440 million pounds
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- The entire array of semi-precious minerals that have been languishing for inclusion into the formal market place: - amethyst, agate, jasper, topaz etc.
 - Other minerals of potential industrial, economic value are molybdenite, kaolinite, potash etc.
 - The use of clays including kaolin can be grown into a formidable industry for durable cost-effective construction materials.
 - Gold mining subsector represented 8.3 per cent of our GDP- the third largest non-oil sector of our economy- and more than 58.2 percent of our total non-oil export earnings.
 - Gold mining in Guyana has been at the artisanal and mechanized scale offering declarations in a good year of approximately 500,000 ozs.
 - In the past 30 years, Guyana has only managed three (3) bona fide gold mining operations at the large scale, each with declarations above 150,000 ozs. per year on a sustainable basis.
 - This reality does not appear to be in line with the potential that is available. As such in the area of gold mining in Guyana, investment which is alive should be aggressive.



Targets for 2023

- The mining and quarrying sector is forecasted to grow by 34.1 percent, driven by expansion across all subsectors, namely petroleum, gold, other mining and quarrying, and bauxite.
- The oil and gas subsector is projected to grow by 35.6 percent in 2023.
- The gold mining subsector is projected to recover and grow by 12.7 percent in 2023.
- The bauxite subsector is projected to grow by 9.8 percent.
- The other mining and quarrying subsector – which includes sand, stone, and diamonds, is also projected to grow in 2023, by 7.3 percent.

Rare Earth Elements and Base Metals in Guyana

With the advent of changing attitudes towards fossil fuels, alternatives are being pursued. Power cells are improving and there are strategic elements such as scandium, lithium, etc., that have become attractive for exploration. In fact, the suite of Rare Earth Elements has become popular. Base Metals have also become more popular as targets of exploration. Therefore, REEs and Base Metals can be presented for projects to which exploration capital could be directed.

Geochemical Exploration Projects

- The Guyana Geology and Mines Commission (GGMC) has been doing its part in opening the window for project prospects.
- GGMC has compiled reports on the geology, geochemistry and structure of a more recent time frame which covers some 7000 km² of northern Guyana and this database is commercially accessible.
- A total of 65 Geochemical Projects has been conducted between 1999 to 2019 covering a total area of 101,580 sq. Km (47% of Guyana Area).



Bauxite in Guyana

- The bauxite deposits in Guyana are still considered of the best quality.
- Exploration has always been a challenge due to considerable overburden of sand.
- Value added has been hindered by the limitations of energy/power.

Quarrying in Guyana

- Production of stone, aggregate and quarriable materials has increased significantly to meet demands of the construction and infrastructure development surge.
- Can reach regional and international markets on a competitive basis with superior products (granite, gabbro); white sand (99% silica).

Semi-precious Minerals in Guyana

- The entire array of semi-precious minerals that have been languishing for inclusion into the formal market place: - amethyst, agate, jasper, topaz etc.
- Other minerals of potential industrial, economic value are molybdenite, kaolinite, potash etc.
- The use of clays including kaolin can be grown into a formidable industry for durable cost-effective construction materials.



Mining Tenures of Guyana

- The manner in which the mining tenures of Guyana are structured allow for projects directly focused on regional exploration (Permission for Geological & Geophysical Surveys, Prospecting Licences), which can lead to mine development, extraction, recovery and with emerging options for energy and power, refining with downstream industrial scale manufacturing.
- There are also opportunities for joint ventures in mining at the more junior or medium scale level which have been reserved for Guyanese but do allow for capital input.

Fiscal and Economic Incentives

- Small, Medium and Large-Scale Miners can apply for remission of taxes on the purchase of item(s) for use in the mining sector.
- The exemptions of Large-Scale operations including benefits and obligations are formalized in an Investment Agreement (IA), which accompanies the licence.
- The mining sector presents a host of investment opportunities throughout the cycle (being exploration, exploitation, development and associated manufacturing and industry).
- There is incentive for the several tenures in mining to be pursued, with much room for capital investments either independently or through joint ventures.
- The traditional & non-traditional mineral suites are attractive options for investment.
- The growth trajectory for Guyana includes infrastructure and construction which will create a demand for stone, aggregates and sand.
- The mining sector is undergoing a review of its legislation; fiscal initiatives and incentives

Key Indicators

Employment

Mining contributes to the employment of over 20,000 persons directly and indirectly. The Guyana mining industry currently provides employment for more than 15,000 people in the hinterland area, including members of local indigenous communities.

Year	Direct Employment		Indirect Employment		Total Employment
	Large Scale	Small Scale & Medium Scale	Business	Services	
2010	700	16,464	4,500	3,000	24,664
2011	923	17,960	6,000	4,300	29,183
2012	860	22,944	9,700	3,900	37,404
2013	892	23,288	9,800	4,100	38,080
2014	867	21,464	5,200	4,000	31,531
2015	2,272	20,688	4,500	4,500	31,960
2016	2,458	18,184	3,400	3,300	27,342
2017	2,477	11,488	3,500	2,400	19,865
2018	2,248	8,616	5,000	3,100	18,964
2019	1,432	15,712	6,700	4,700	23,844
2020	1,262	8,424	5,600	5,500	20,786
2021	1,671	8,852	5,700	6,000	22,223

Source: GGMC Mines Division

The oil and gas industry employs 4,000 people, reducing unemployment and creating new job opportunities for Guyanese within the sector.

Contribution to GDP

Guyana's economy saw a 62.3 per cent overall growth in 2022 (driven by a stellar performance in the oil and gas sector) with an 11.5 per cent growth in the non-oil economy.

Demand Drivers

As the world continues to move to a greener economy there will be a high demand for both traditional and non-traditional mineral resources. Our mineral resources help to provide materials to make the following possible:

- Moves from internal combustion cars to electric vehicles will increase demand for rare earth magnets & batteries.
- More housing materials (especially with big housing projects currently ongoing)
- Concrete roads (construction of new bridges, new roads, repairs and expansion of roads in the country)
- Jewellery
- Computers
- Appliances
- Rising global energy demand
- Rising oil prices/demand

Economic Performance and Size

Guyana was listed as one of the fastest-growing economies in the world in 2022, a rate of growth which currently puts Guyana among the top five fastest-growing economies in 2023. The estimated growth is driven mainly by an expansion in the oil and gas and support services industry which when combined with the projected growth in the other mining and bauxite industries, outweighs the contraction in gold mining activity”.

- The oil and gas sector is expected to have expanded by 124.8 per cent in 2022, with a total of 101.4 million barrels produced, compared to 42.7 million in 2021¹.
- The Bauxite and Mining Industry is also estimated to have grown by 35 per cent in 2022.
- The gold industry experienced a 2.5 per cent contraction in 2022.
- The mining and quarrying sector is estimated to have expanded by 109.7 per cent in 2022. Output from the other mining and quarrying sector, which comprises diamond, sand and stone mining, continued its upward trajectory, resulting in the sector expanding by an estimated 38.5 per cent in 2022. Diamond declarations are estimated to have grown by 85.6 per cent. Sand extraction and stone production are estimated to have grown by 35.6 per cent and 18.6 per cent respectively, supported by the heavy emphasis on construction activity in the Government’s Public Sector Investment Programme (PSIP) as well as rapid expansion in private sector construction activity. Notably, for the first time in the last five decades, 255,081 tonnes of manganese were produced in 2022.
- The construction sector has recorded a 26.3 per cent increase in 2022.

International Rankings

A recent analysis by FocusEconomics, a provider of global forecasts, states that Guyana will lead the list of top five nations with the fastest-growing economies up to 2026.

Following its examination of the economic prospects for nearly 200 nations, the independent research group said Macao, a special administrative region of China, along with Fiji, Niger and Libya will trail Guyana on the accelerated growth path.²

Guyana falls 17th place as the country with the largest proven Oil Reserves. These discoveries have triggered an extraordinary energy boom, with Guyana emerging as a world-recognized petroleum producer.³

1 Budget speech 2023

2 <https://oilnow.gy>

3 <https://oilnow.gy>



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