

Functions and achievements of Pakistan Mineral Development Corporation in the mineral sector development

Muzaffar Hussain

Pakistan Mineral Development Corporation, Islamabad

Pakistan Mineral Development Corporation (PMDC) was established in 1974 as a Private Limited Company with paid up capital of Rs. 10 million and authorized capital of Rs. 1,000 million. Its objectives are exploration development of mining and marketing of minerals, including export. PMDC is primarily involved in the mining and marketing of rock salt and coal in the country. It is producing over one million tons of rock salt annually and meeting 55% of the country's rock salt requirement. The coal produced is supplied to the brick kilns, cement plants and Khanot Power Plant for generation of electricity.

PMDC's role as joint venture partner and as an executing agency are: 1) MCC China for the development of Duddar Lead-Zinc deposits, Lasbella, Balochistan, 2) WAPDA and Government of Sindh for supply of coal to WAPDA's power plant at Khanot through Lakhra Coal Development Company, 3) FATA Development Authority for mining of Kurram soapstone near Parachinar and 4) Sarhad Mineral Authority for rock salt mining at Nari Panoos, Karak.

PMDC as an Executing Agency is undertaking exploratory work for coal and copper in two projects in FATA, which have been sponsored by FATA Development Authority: 1) exploration and development of North Waziristan copper with a total cost of Rs.172.722 million. The work is in progress and 2) exploration and resource estimation for coal in Shirani area, F.R.D.I Khan, costing Rs 92.772 million. Drilling work is expected to start shortly.

Duddar Lead-Zinc Project, Lasbela, Balochistan: PMDC, with the technical and financial assistance of UNDP (1991-94), explored the Lead-Zinc deposits of Duddar. Subsequently the work was undertaken jointly by PMDC, Balochistan Development Authority (BDA) and PASMINGCO (Australia) from 1995-1998. The investigations included over 43,000 meters drilling, assaying of samples, geological, geophysical and geotechnical studies and metallurgical tests. As a result of these investigations 14.1 million tonnes of Lead-Zinc ore was proved, having 3.2% Lead and 8.6% Zinc. Additional resource of 10 million tonnes of ore was also indicated adjacent to the ore body in the North.

An Agreement between Pakistan Mineral Development Corporation and China Metallurgical Construction (Group) Corporation, for development of Duddar Lead-Zinc deposits in Balochistan was signed on 3rd November 2003. According to the agreement, the investment required for the Project was US \$73 million which was to be arranged in total by MCC. PMDC will get 20-25% share in the profits which will be shared by PMDC and Govt. of Balochistan on 50:50 basis. The investment has now gone to over 111 million US\$.

On completion of the formalities, the development of the project started in 2005 and the trial production of Lead-Zinc ore started in December 2008 and is still going on. During the period from Dec, 2008 till date, a total of about 90,000 tonnes of Lead-Zinc ore has been mined and over 11,000 tonnes concentrate produced and exported to China for smelting. This project is the first of its kind in the underground metal mining in Pakistan and on its successful completion, will open up new avenues for development of similar type of other deposits in the Lasbella-Khuzdar metallogenic belt.