

Risk vs reward: The mineral prospectivity of Afghanistan

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The recent turbulent history of Afghanistan, as well as the influence from regional superpowers and local states, is well documented. Less well-known is that mining in Afghanistan extends back thousands of years, and that the country once produced and exported a huge variety of minerals including gold, copper, precious stones, and the highly prized vivid blue lapis lazuli which has been found as artifacts in sites in ancient Egypt.

Although the political situation in Afghanistan remains complex and turbulent, what is undeniable is the extraordinary mineral wealth of the country which has remained comparatively underexplored compared with many jurisdictions around the world. Exploration in Soviet times identified several major deposits across the country, and more recent efforts by the British Geological Survey (BGS) and particularly the United States Geological Survey (USGS) have helped to highlight the significant potential of this mineral-rich nation, although no significant on-the-ground detailed exploration has occurred since the Soviet withdrawal in 1980.

Afghanistan sits along the Tethyan Belt which is well known for its mineral endowment. It is a near certainty that significant metallogenic provinces remain unidentified within the country. Many deposit types have already been identified in Afghanistan including porphyry, skarn and VHMS-hosted deposits amongst many others.

The government of Afghanistan, supported by funding from a variety of donor organisations, is attempting to encourage a regulated mining industry to be developed in the country but progress has been slow and in many examples unsuccessful. The world-class sediment-hosted Aynak copper deposit was tendered by the Afghan government and awarded to MCC of China in November 2007 for \$3Bn with a 30-year mining life. However, work has been delayed for various political reasons plus the discovery of historical relics on site. A set of new mining licences has recently been awarded in other parts of the country, for example to develop the Shaida porphyry copper deposit near Herat, and it is hoped that this is the start of a modern mining industry. Notwithstanding this, sustainable development in this sector will require persistence, stability, a transparent legislative regime with clear taxation and royalty codes and the availability of good quality data.

There is undoubtedly significant potential for explorers to identify major deposits in the country. However, despite recent improvements in the security of tenure and the growth of a small service industry, Afghanistan will remain a very challenging country to operate in.

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