

THE RWANDA OPPORTUNITY

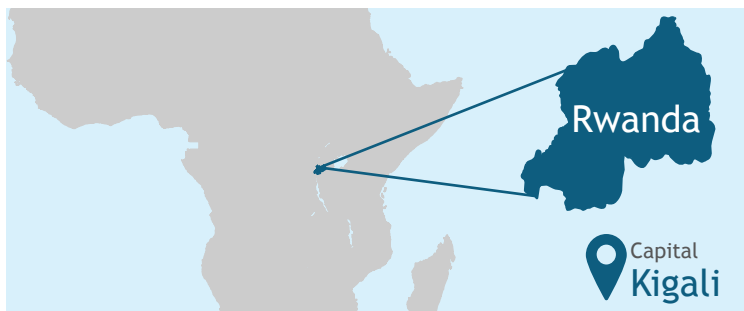
Rwanda - Australia Investment Roadshow

MARCH 2023



RWANDA

AT A GLANCE



POPULATION

13.2 million



GOVT. & PARLIAMENT

Presidential republic

Bicameral parliament



OFFICIAL LANGUAGES

Kinyarwanda,
French, English,
Swahili

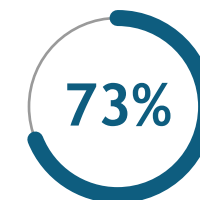


GDP PER CAPITA

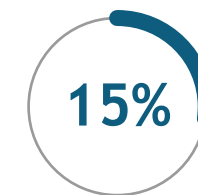
USD 1,004



LITERACY



UNEMPLOYMENT



CURRENCY/EXCHANGE RATE¹

Rwanda Francs (RWF)

~RWF 1033/USD¹



GDP (10 YEAR GROWTH)

USD 13.7B (7.5% p.a.)



RATINGS

B- > 'Stable' > FitchRatings

B+ > 'Stable' > S&P Global Ratings

Rwanda has set an ambitious **vision** for development and **transformation to a high income country**

Rwanda has an **ambitious view** of the future

Middle Income Country by 2035

- Average growth of 9.1% in GDP per Capita over NST1 (2017-2024)
- Average growth of 12% in GDP per Capita over 2025-35 (over USD 4K)
- Industry Contribution to GDP of 24% by 2035 from 19% in 2019
- Service Contribution to GDP of 46% by 2035 from 49% in 2019

High Income Country by 2050

- Average growth of > 9% in GDP per Capita over 2036-50 (Over USD 12K)
- Industry Contribution to GDP of 33% by 2055 from 24% in 2035
- Service Contribution to GDP of 42% by 2050

...and **high expectations** were set to achieve that vision

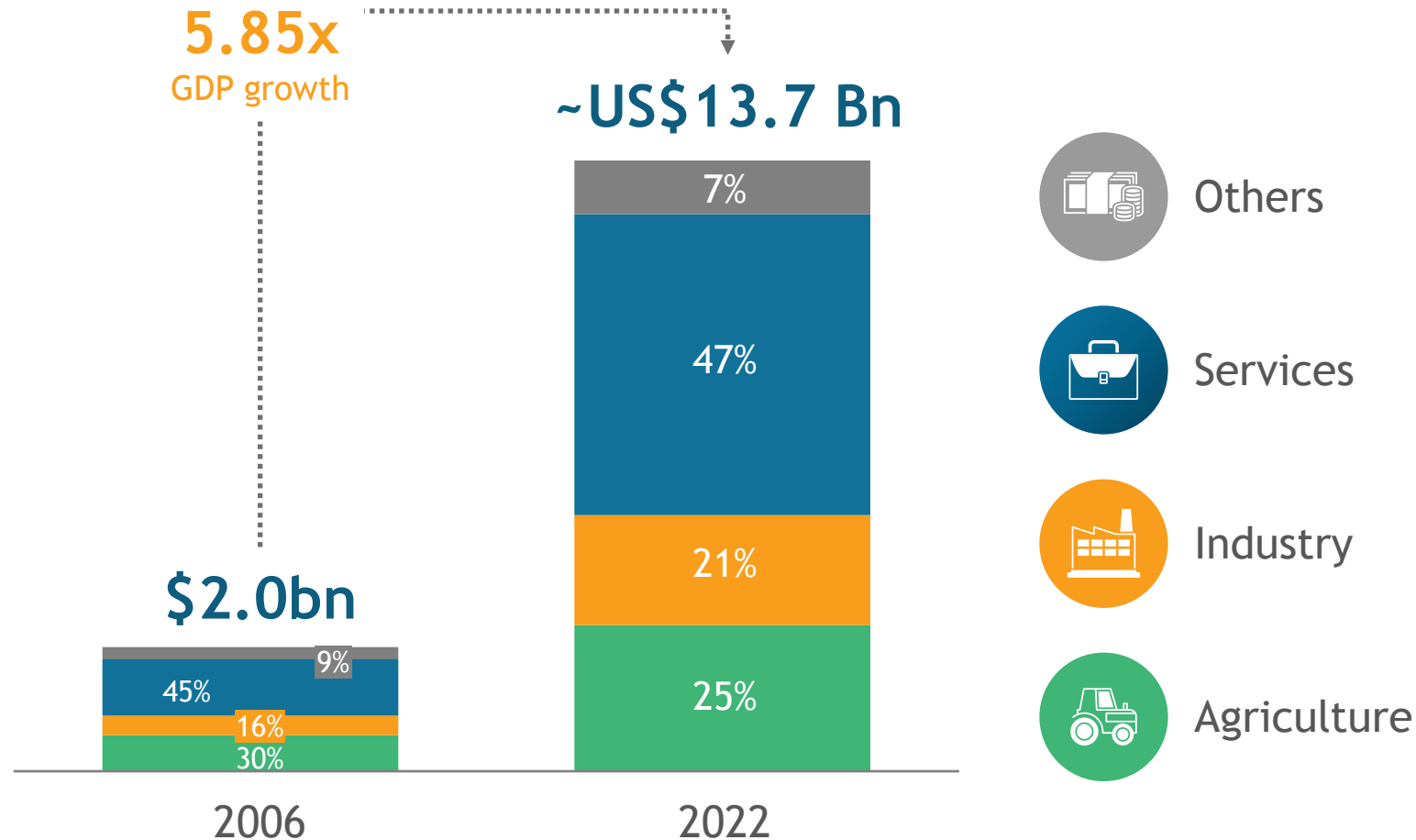
7 Years National Strategies for transformation (NST1) was developed with different pillars including:

- Promote industrialization and attain a structural shift in the export base to high-value goods and services.
- Modernize and increase productivity of Agriculture and livestock
- Establish Rwanda as a Globally Competitive Knowledge-based economy
- Accelerate Sustainable Urbanization from 18.4% (2016/17) to 35% by 2024
- Position Rwanda as a hub for financial services to promote investments

NST1 is underpinned by sectoral strategies in key economic sectors

Rwanda has operated a structural economic transformation from predominant agriculture to service & industry

▣ Breakdown of Rwanda's GDP by sector (%)



Source: Gross Domestic Product 2022, NISR.



Services & Industry account for more than two thirds of all economic activity

Incredible success story of Africa

RWANDA IS ...



... fast growing

- ▣ 6th fastest growing economy in Africa (7.5% p.a. since 2007)
- ▣ **Most improved** nation in human development in the world
- ▣ Young and growing population (~70% of population under 30)



... low risk

- ▣ 5th safest country to walk at night worldwide
- ▣ **Lowest debt ratio** in region & stable credit ratings
- ▣ **Stable** currency



... business friendly & modern

- ▣ 2nd for doing business in Africa¹
- ▣ 1st for Government transparency in Africa
- ▣ **Most women** in Parliament and in a gender-balanced Cabinet in the world (61% and 52% respectively)



... a regional platform

- ▣ Strong African **hub** potential; highly **connected** African airline
- ▣ 2nd MICE City ranking in Africa; +5 ranks in 5 years
- ▣ Growing **bilingual**, educated workforce (23k tertiary and 42K TVET grad./yr)



... IT ready

- ▣ 1st in the EAC for network readiness
- ▣ 5th in Africa
- ▣ 95% 4G LTE network coverage; 7,000km fibre

1. Doing Business 2020.

Sources: UN (UN-HDI), World Bank, WEF, Global and Africa Competitiveness Report, ICCA, Global Gender Gap report, Gallup, ICCA, RDB, BSC, GoR, Statistical year book, (majority 2019 & 2020),

A photograph of the Kigali Convention Centre at night. The building is a large, circular structure with multiple tiers, illuminated with blue and green lights. A paved walkway leads towards the building, and a bench is visible on the right. A semi-transparent blue banner is overlaid on the lower left portion of the image.

RWANDA

A GREAT PLACE TO DO BUSINESS

Rwanda has created an enabling *INVESTMENT ENVIRONMENT*

Business friendly regulation

- #2 in Africa for Ease of Doing Business¹ and Global Competitiveness²
- 7 year Corp. income tax (CIT) holiday for investors investing more than \$50M in the country
- Business environment assessed annually resulting in new investor-friendly reforms each year

Multiple incentives for exporters & priority sectors

- Preferential CIT rate: 15% if 50% of production exported outside EAC or for priority sectors³ - 0% tax if regional HQ in Rwanda
- Accelerated first year depreciation rate of 50%⁴
- Exemption of capital gains
- Duty-free imports of machinery & inputs⁵ within EAC

Efficient, supported processes

- Highly digitalized and efficient administration (6 hours to register a business)
- Free business registration
- Expanded RDB One-Stop Center for all investors licenses and permits
- Dedicated investment acceleration and aftercare team

Commitment to foreign ownership

- No restrictions on foreign ownership
- No restrictions on capital flows
- Capital gains exemption on sale or transfer of shares

1. 2020 World Bank Doing Business ranking 2. WEF ranking 3. Energy, transport of goods and passengers, ICT, financial services, affordable housing, or any other priority economic sectors determined by the Ministry of Finance 4. Subject to investing USD 50k in business assets; 5. In accordance with EAC customs reg.

Source: RDB Investors Presentation

Rwanda has **SKILLS**

~50K

Higher education graduates each year

- Of those, ~2,000 graduates in ICT
- Host to the continent's top universities



30%

Rwandans fluent in at least one Western language

- ~1M Rwandans fluent in English
- ~750k Rwandans fluent in French
- ~400k Rwandans bilingual (EN/FR)

...and the **NEXT GENERATION** is here!



70%

Rwandan population under 30 years of age



RWANDA

CONNECTING AFRICA, OPEN TO THE WORLD

Rwanda has **ACCESS TO AFRICAN AND GLOBAL MARKETS** through strong free trade agreements...

Regional agreements



EAC free trade agreement
East African Community



Population
300 M



GDP¹
\$200+ Bn



COMESA free trade agreement
Common Market for Eastern and Southern Africa



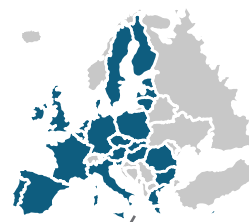
Population
583 M



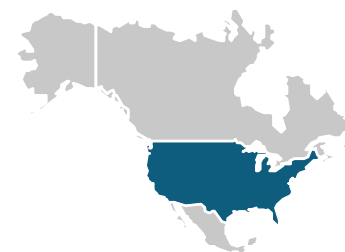
GDP²
\$805+ Bn



Intercontinental agreements



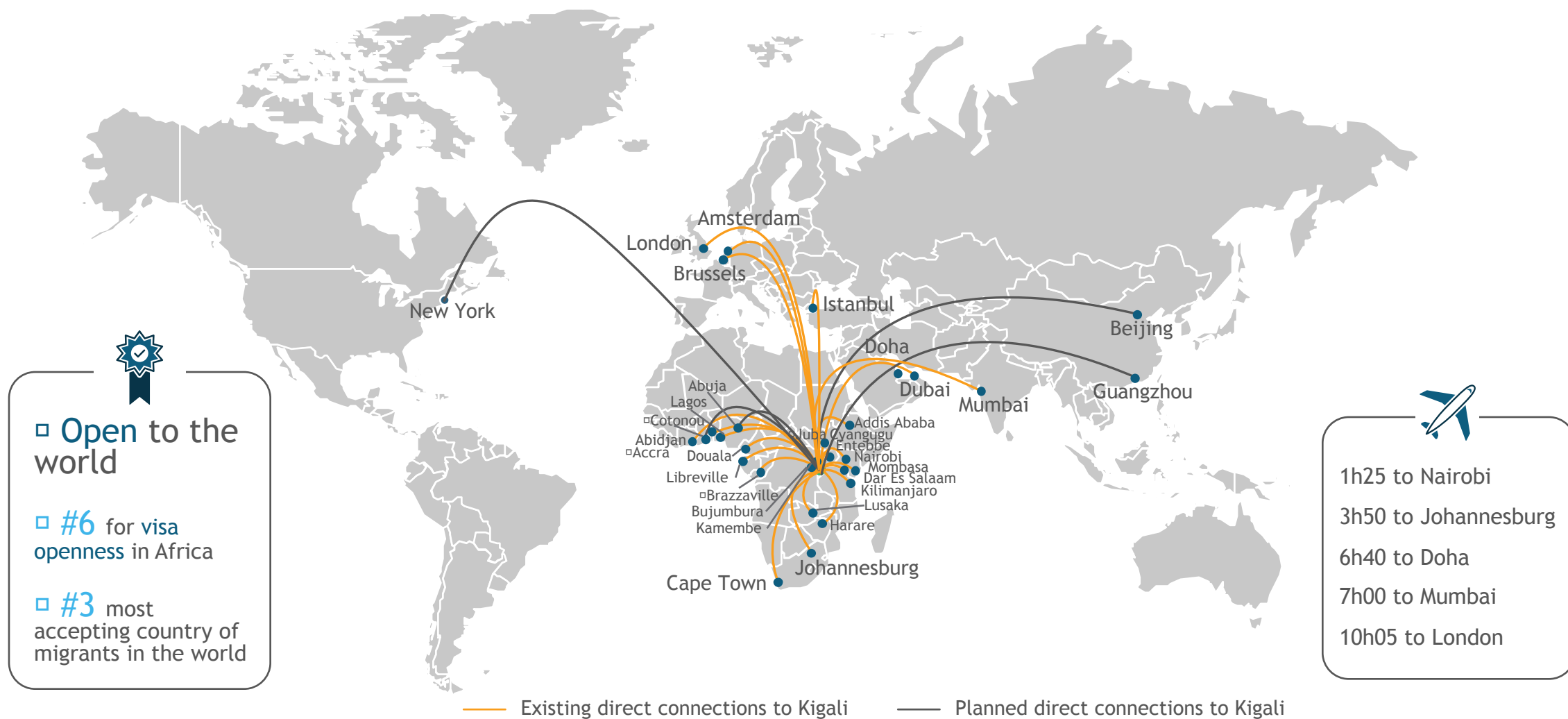
Everything but Arms agreement
European Union



AGOA free trade agreement
United States of America



Rwanda is increasingly *OPEN & CONNECTED* to the world





An ever growing
number of
leading brands
are choosing
Rwanda as their
business
destination

BIONTECH

zipline



Radisson
HOTEL & CONVENTION
CENTRE, KIGALI



UNIVERSITY OF
Global Health
EQUITY



airtel



ISON



Marriott



kate spade
NEW YORK

access





RWANDA

EMERGING MINING DESTINATION

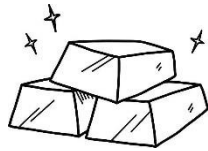
Why invest in Rwanda's mining sector?



Rwanda offers a supportive legal & regulatory framework
Strong government support to revitalise the mining sector and a new mining code



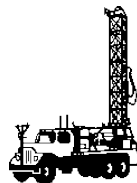
World-class tin-tantalum-tungsten mining province
3T mining sector already supplies global markets; opportunity to optimise & expand



Significant untapped mineral potentials
Known gold deposits in world-class regional gold belt that are 'drill ready'

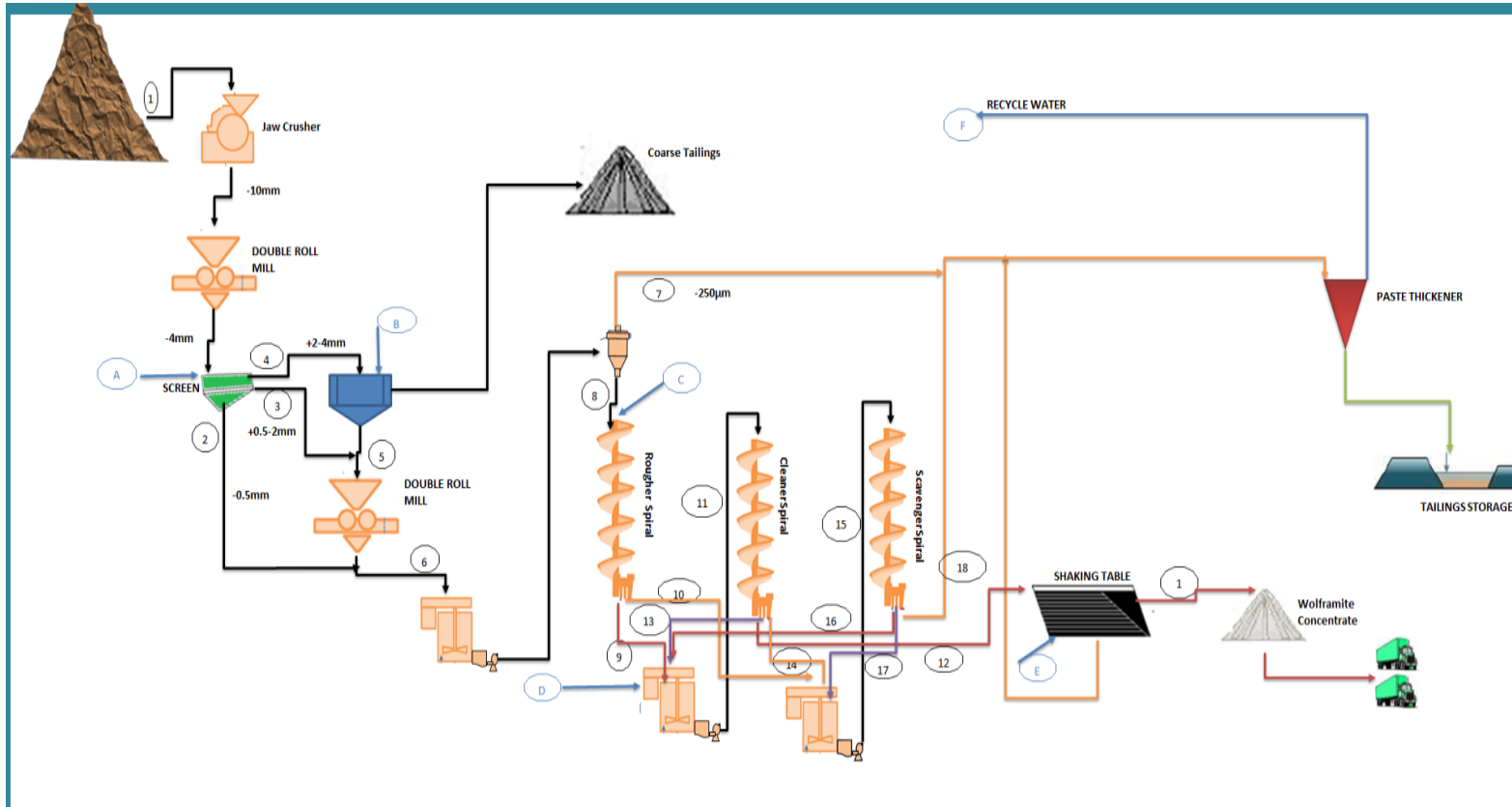


Prospective for Lithium
Known occurrences of lithium bearing minerals in many parts of the Country



Modern exploration of highest priority
Government undertaking exploration and supporting mining operators in fund raising for large scale exploration

MINING SECTOR INVESTMENT OPPORTUNITIES



Financing of mining companies

The majority of the minerals are lost while mining and processing.

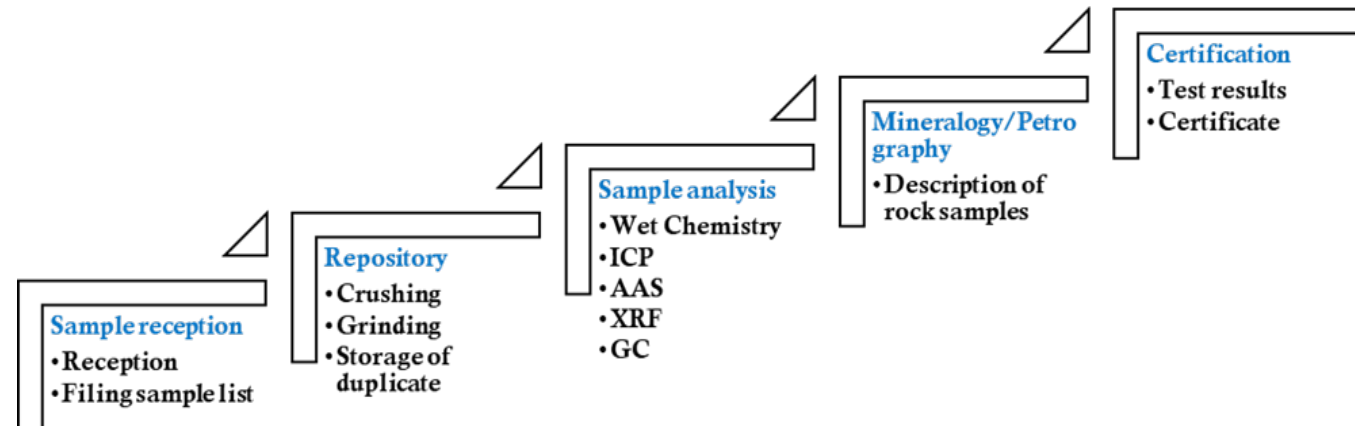
- Finance to procure a mineral processing plant and carry out professional mineral exploration and exploitation
- Adequate mining equipment
- Increase recovery
- Boost production

MINING SECTOR INVESTMENT OPPORTUNITIES



Mineral Laboratory for Private Public Partnership

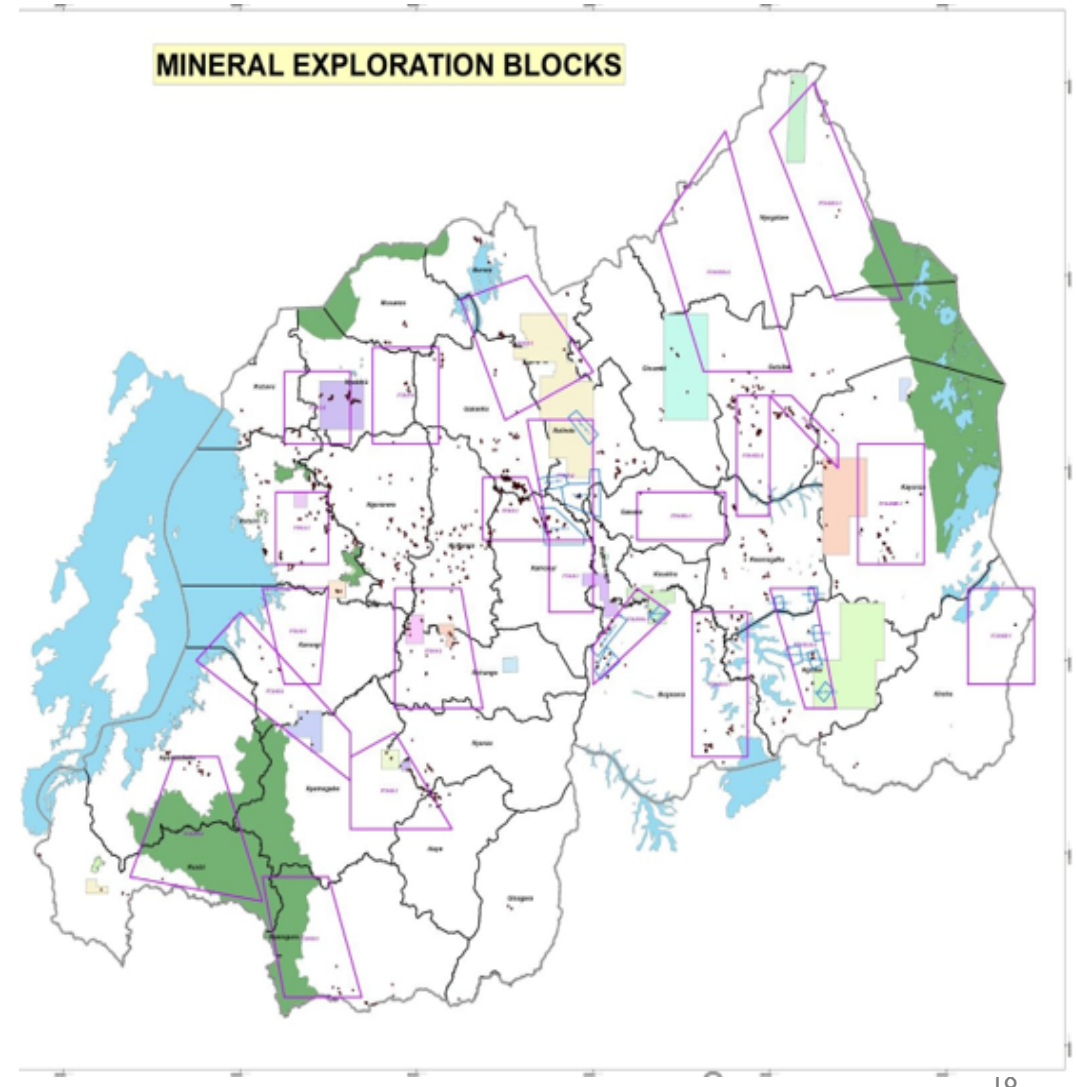
The mineral laboratory shall accommodate all processes from sample handling to analysis and deliver accurate geochemical test results with compliance to international standards. With a planned capacity of 15.000 samples per month, the laboratory is expected to exploration surveys and support the Government in auditing mineral exports.



MINING SECTOR INVESTMENT OPPORTUNITIES

37 PTA AREAS AVAILABLE

37 Potential Target Areas (PTAs) identified that offer immediate opportunities for new entrants into the country's mining sector.



MINING SECTOR INVESTMENT OPPORTUNITIES

Targeting Value addition

Rwanda's mineral ores produced in the country are mostly exported as raw mineral concentrates, not as metals. So far, we have three value addition facilities (Tin Smelter, Gold refinery and tungsten)

The establishment of processing plants to refining wolfram and lithium are open to private investors and partnerships



Mining Equipment

Currently, Rwanda's mining sector is mostly artisanal. Modern technology is needed to upgrade the sector to a semi-mechanized, and later an industrial level and increase production which is low compared to the proven potential.

There is a need for mining equipments including drillers, bulldozers, gravity table shakers, jaw crushers, conveyor belt systems, magnetic separators etc...



MINING SECTOR INVESTMENT OPPORTUNITIES

Opportunities for mining and quarrying

Partnership with local mining companies

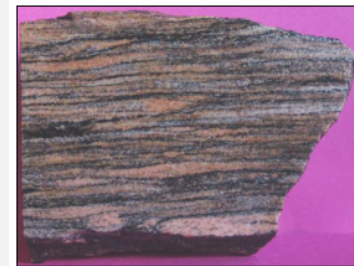
Most local companies are artisanal in their settings. Over 200 mining companies(list available) and cooperatives are open to consider partnership and JVs, covering financing, capital equipments, technical support and competitive mineral trade contracts.

Construction Materials

Rwanda is also underlain by huge volumes of hard rock which can be applied in various forms of construction. The rocks which should be looked at as potential sources of beautiful dimension stones include: **Granite, Migmatite, Amphibolite, Marble & Dolomite, Quartzites & Hard schist**



Granite from Nyagatare



Migmatite from



Other investment opportunities

Opportunities in Oil and Gas

Exploration

2 D Seismic Survey data acquisition complete
Processing and interpretation complete

Next steps

3D seismic survey
Exploratory drilling

Exploitation

Methane exploitation and commercialization
Carbon dioxide exploitation commercialization
Petroleum Exploitation and commercialization,
when deposits are confirmed

Infrastructure development:

Midstream (Pipeline...)

Downstream (CNG distribution centers...)



TYPES OF LICENSE AND LICENCING PROCESS

(Simple and efficient licencing process)

1. EXPLORATION LICENCE REQUIREMENTS

- ✓ Minimum requirements for geological, geophysical, geochemical or resource analysis activities

2. EXPLOITATION LICENCE REQUIREMENTS

- ✓ Minimum requirements for proving the economic value of mineral resources
- ✓ Mine design and planning, ore treatment and processing
- ✓ Social and environment management plan
- ✓ Infrastructure development plan
- ✓ Health and safety plan
- ✓ Employment, skills and technology transfer plan
- ✓ Compensation and resettlement plan

3. TRADING LICENCE KEY REQUIREMENTS

- ✓ Business Plan
- ✓ Financial Capacity of US\$ 250,000 &

4. PROCESSING LICENCE KEY REQUIREMENTS

- ✓ Technology and equipment acquisition plan
- ✓ Proof of technical capacity to carry out the mineral processing activities

Licence	Term	Size	Ownership Requirements	Renewal	Multiple Licenses Permitted
Exploration	4 Years	400ha	None	Yes with relinquishments	YES
Large scale Mine	15 years	400ha	None	Yes with relinquishments	YES
Medium scale Mine	10 years	100ha	Min 40% local shareholding	Yes with relinquishments	YES
Small scale Mine	5 years	50ha	100% local shareholding	Yes with relinquishments	YES
Trading	5 years	-	None	Yes with relinquishments	YES
Processing	7 years	-	None	Yes with relinquishments	YES



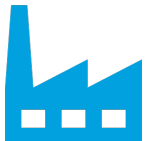
Transparent Fiscal regime and Incentives

Rwanda's Mining policy framework's focuses on the optimization of financial benefits through transparency of taxes, royalties and other payments that reflect the value of mineral resources to society

Fiscal regime



CORPORATE INCOME TAX
30%



ROYALTIES ON BASE METALS(3Ts)
4% ON GROSS VALUE



ROYALTIES ON PRECIOUS METALS AND GEMSTONES
6% ON GROSS VALUE

Non- Fiscal Incentives

A registered investor who invests USD 250,000 may recruit 3 foreign employees without necessarily demonstrating that their skills are lacking or insufficient on the labor market in Rwanda

Facilitate quick investment registration

Facilitation with tax related services and exemptions

Provision of EIA Certificates

Facilitation with obtaining visas and work permits

Notary services provided by our One Stop Center

Assigning Key Account Manager to projects registered within the One Stop Center

Fiscal Incentives

Registered investors holding a valid exploration license are entitled to carry forward losses for a period of ten (10) years from the first year of making the loss, by deducting losses in the order in which they incurred

15% Preferential Corporate Income tax for projects exporting processed minerals up to 50% of turnover of minerals produced in Rwanda

Accelerated depreciation of assets at 50%

Import free on Heavy Machinery used in Mining

Vat exemption on Mining equipment

Value added tax refund

Capital Gains tax exemption and 0% Corporate Income Tax for companies planning to relocate H/Q's to Rwanda

GEOLOGICAL ENDOWMENT OF RWANDA


KNOWN MINERALISATION OF INDUSTRIAL, PRECIOUS AND BATTERY METALS, GEMSTONES AND RARE EARTH ELEMENTS

World-class 3T mining

73 Ta 181	74 W 184	50 Sn 119
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- ✓ #1 global Tantalum (Ta), #7 global Tungsten (W) & #12 global Tin (Sn)
- ✓ Dominated by artisanal /small scale operations
- ✓ Opportunity to consolidate and undertake modern exploration

Precious Metals and Gemstones

97 Au 197	
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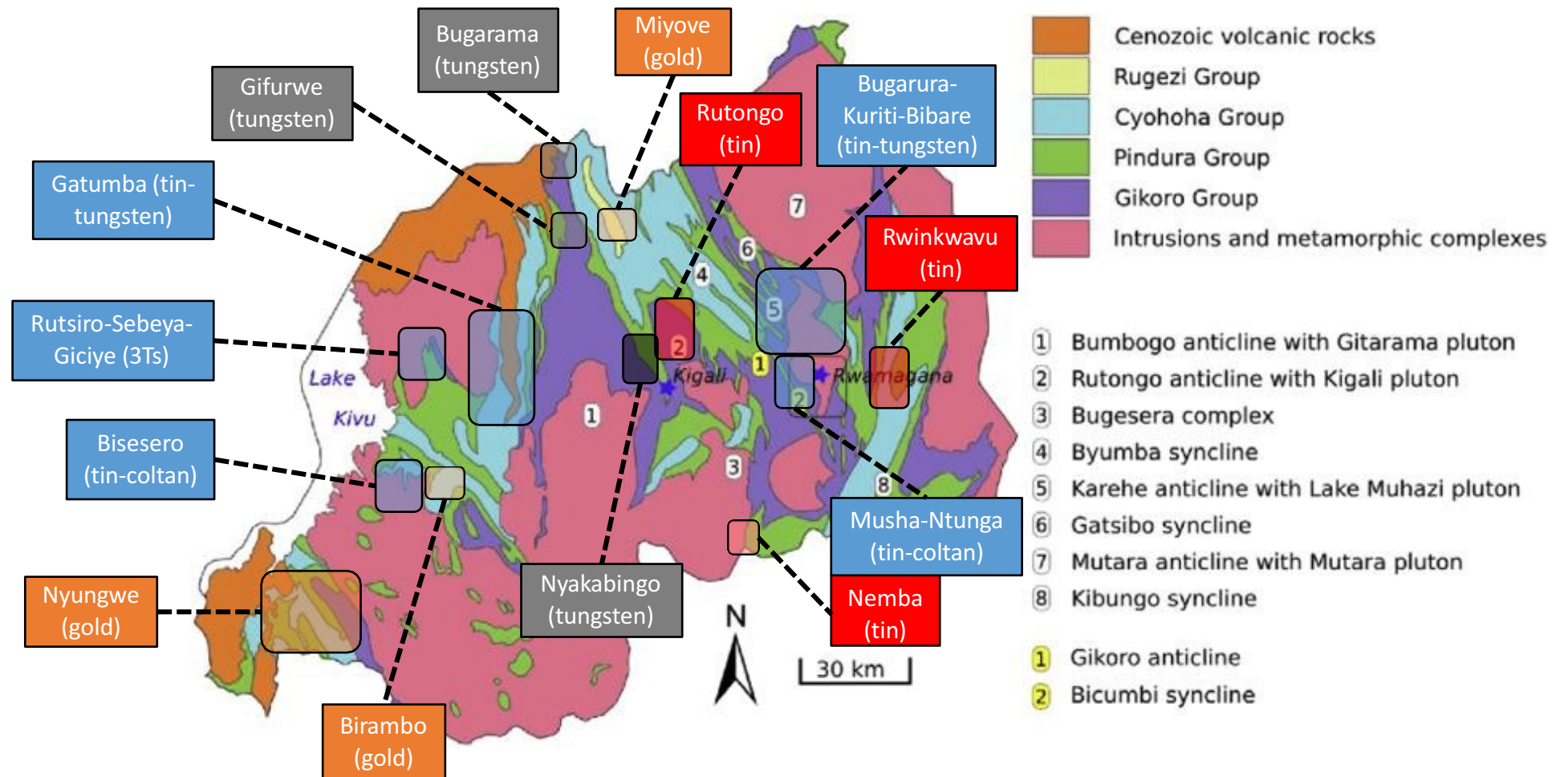
- ✓ Regional gold trend hosts large deposits
- ✓ Trend continues across Rwanda, with known deposits and long mining history
- ✓ Limited modern exploration
- ✓ Country wide gemstone potential

Battery Metals & Rare Earth Elements

3 Li 7	28 Ni 59	REE
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- ✓ Known lithium mineralization in the country with good potential for significant discoveries
- ✓ Known world class nickel deposits in the region with Eastern parts of Rwanda having potential
- ✓ Region host economic Rare Earth Elements (REE) deposits with known REE mineralization in Rwanda

UNIQUE GEOLOGY OF RWANDA

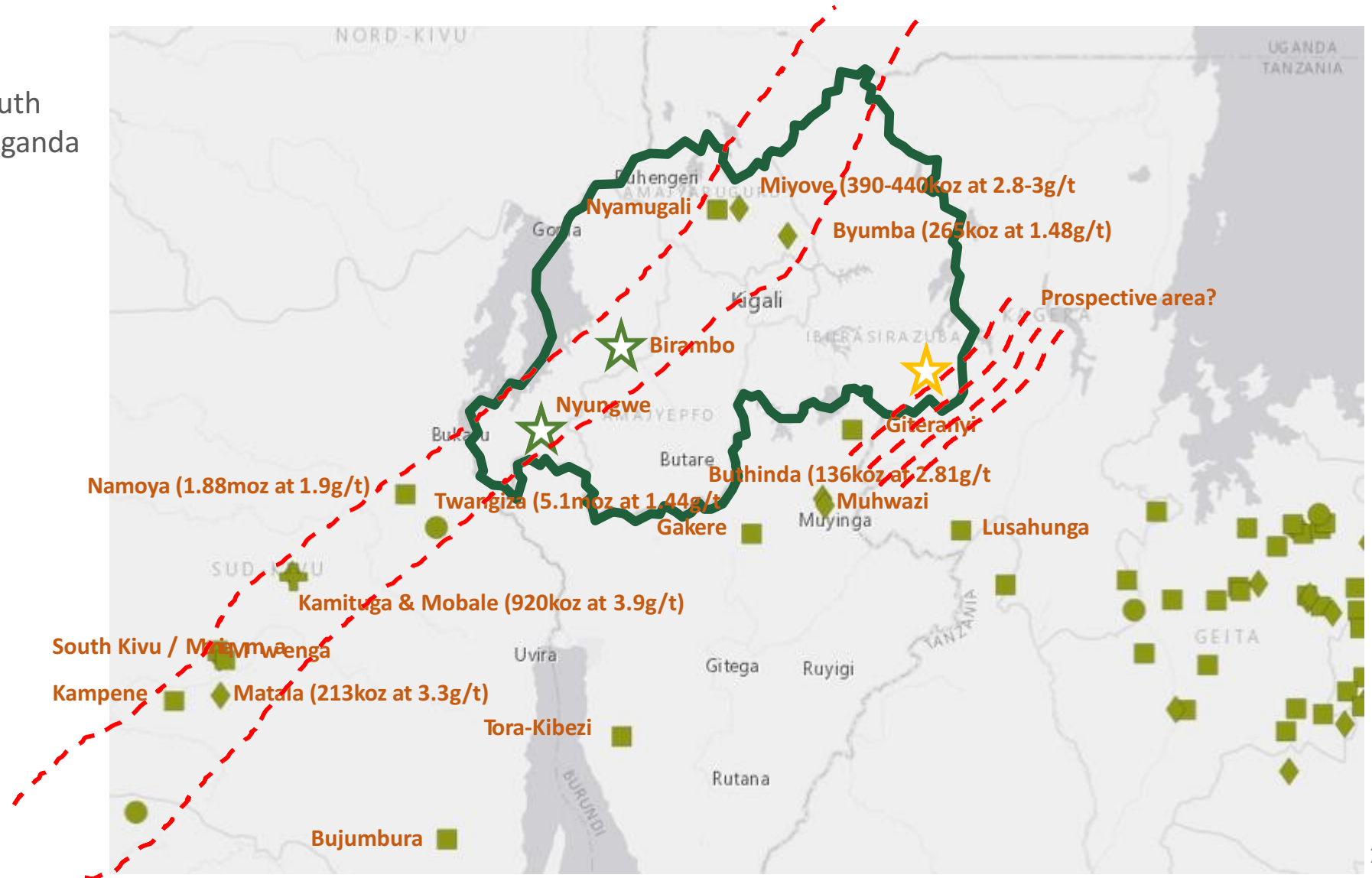


KNOWN GOLD PROJECTS IN THE REGION

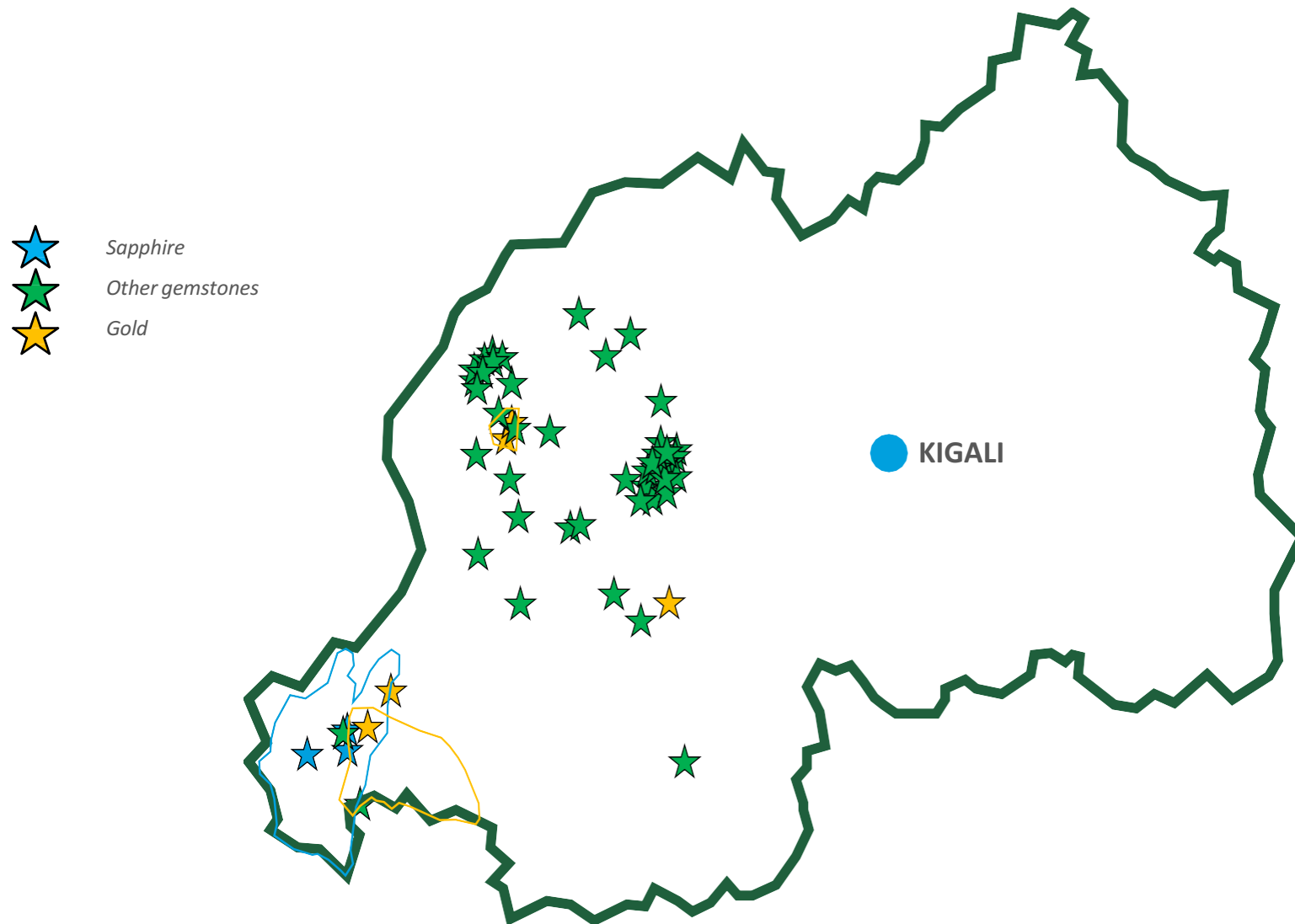
Major gold belt extends from South Kivu (DRC) across Rwanda into Uganda

Known deposits in Rwanda:

- Nyungwe (c 200koz mined)
- Miyove (c 400koz resource)
- Byumba (265koz resource)



GROWTH OF GEMSTONE DEPOSITS OVER THE YEARS



ONGOING VALUE ADDITION ACTIVITIES AND OPPORTUNITIES WITH POTENTIAL TO SCALE REGIONALLY



LUNA TIN SMELTER

- ❑ East Africa's only tin smelter
- ❑ JV between Luma Investment Group of Poland (75%) and State-owned Ngali Holdings (25%)
- ❑ Aiming to be an environmentally friendly, socially responsible and conflict free
- ❑ Initial capacity of 380tpm of cassiterite
- ❑ JV to explore and develop its own mining projects
- ❑ Tin metal to be exported to Luma's existing client base in Europe



Ta-Nb REFINERY

- ❑ PRG plc founded in 2015 to address future needs of supply chain security of critical metals in Western based manufacturing
- ❑ Active in mining & processing in Rwanda
- ❑ Developing a modern Ta-Nb refinery in the Bugesera industrial zone near Kigali with full operation expected in 2023
- ❑ State of the art proprietary technology to produce a series of products:

Tantalum hydroxide Tantalum pentoxide
Uranium oxide (yellow cake) Niobium pentoxide K-Salt

GASABO GOLD REFINERY

GOLD REFINERY operating since 2019

OTHER OPPORTUNITIES

- ❑ PPP opportunities to set up processing plants for tungsten and Lithium
- ❑ PPP opportunities to set up gemstone cutting and polishing centre for amethyst, tourmaline, sapphires, jasper, quartz, opal
- ❑ PPP opportunities for setting up mining equipment and laboratory service centre

THANK YOU

www.rdb.rw

