Exploring Timor-Leste – Minerals Potential

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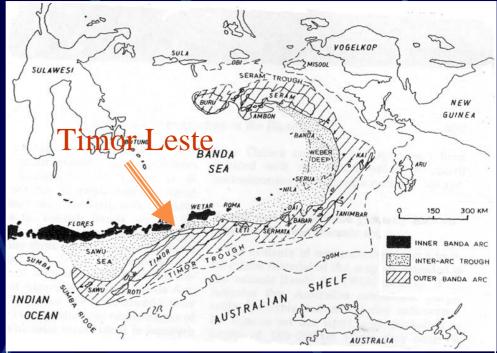
Vicente da Costa Pinto

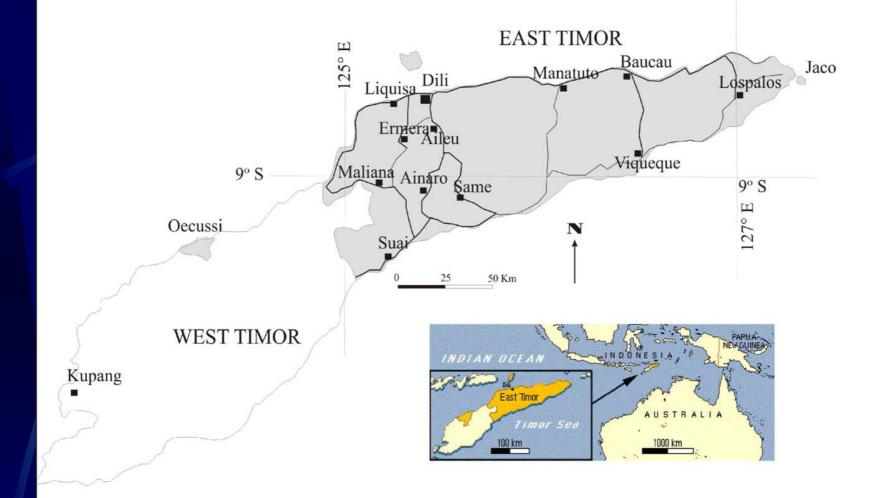
Director of Energy and Minerals Timor-Leste

PACIFIC ECONOMIC COOPERATION COUNCIL PECC MINERALS NETWORK Brisbane, Queensland 17-18 November 2003

REGIONAL SETTING

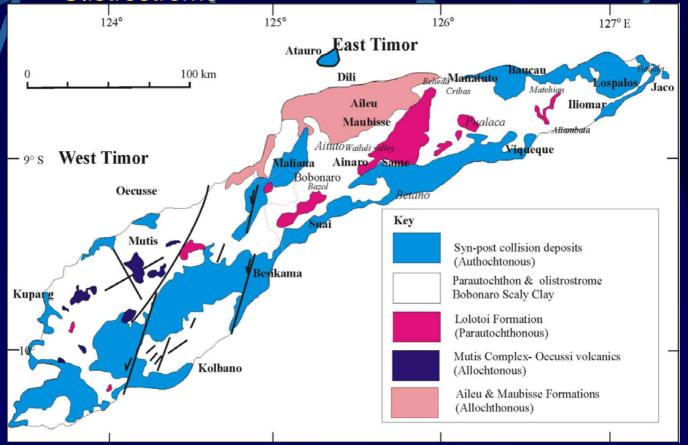
- Part of Outer Banda Arc
- The arc is <u>non volcanic</u>
- To the North Banda Inner Arc (Volcanic), e.g Flores, <u>Atauro</u>, Wetar
- To the south lies 3 km deep trench TIMOR TROUGH
- Plate Boundary : Australia & Banda Arc (Asia) plates
 - =>Collision Late Neogene





GEOLOGY

 Four distinctive tectonostratigraphic units
 Authochtonous; Parautochtonous; Allochtonous; and Olistrostrome



Modified geological map of Timor based on Audley-Charles (1968), and Charlton (2002).

Minerals Potential

Metallic Minerals

 The most attractive metallic minerals potential of Timor Leste are copper, gold and silver.
 –>Occur as massive sulfide, epithermal gold and placer gold.

Lesser extent : chromite and manganese.

Minor occurences : lead, zinc and iron sand.

Non-metallic Minerals

 Sand and gravels for construction materials ⇒Presently, most commonly exploited

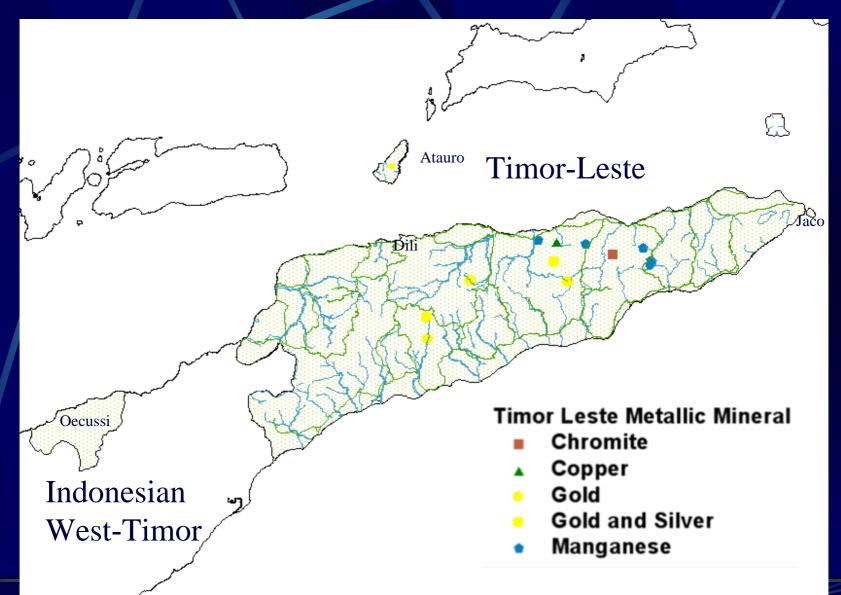
Marbles for ornaments

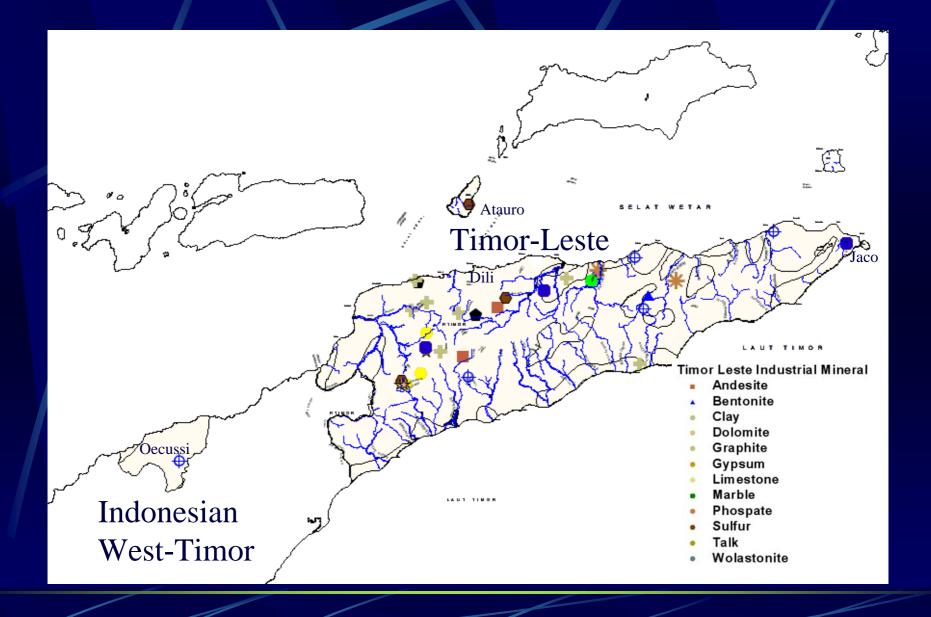
Clay and bentonites
 > Clays are widely distributed

• Gypsum

Limestone and dolomites, etc.

Mineral Occurrences





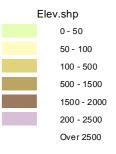
Compiled Timor-Leste Minerals



KEYS



Et Elevantion



Source : Lorenzo

A brief summary of minerals occurence

Copper

The mineralisation occurs as massive sulphides, the veinlets containing chalcopyrite and pyrite in the ultra basic units, with extensive serpentinites alteration and with evidence of intrusive diorite/diabase.

In the Ossuala area (Baucau district) sampling by Allied Mining Company (Wittouck, 1937) returned values of 10% Cu, 3 g/t Au and 170 g/t Ag

<u>Gold</u>

The gold mineralisation has been observed in several forms as quartz, quartz-calcite and calcite veins hosted by shale/slate or schist. The vein are pyritized and mineralized with gold. In Hilimanu area the mineralisation occurs in the metamorphosed igneous rock. The mineralisation are associated with quartz veins (0,5 - 12 m wide) containing chalcopyrite, limonite and calcedony. Some samples analysed indicates average grade of 0,5 g/t Au and 50 g/t Ag.

Chromite

The chromite deposits have been reported from Baucau, Hili Manu (Manatuto district) and Manufahi districts. The deposits were found as primary mineralisation in the serpentinites hosts. The chromite in the Manatuto districs is similar to chromite mineralisation in allochtone ophiolite bodies found in the Circum Pacific belt in the Philippines, New Caledonia and Kalimantan, Indonesia. The quality of the chromite is good, with grades between 36% and 51% Cr_2O_3 . As for grade, 80% of the world's major deposits have between 33% and 52% Cr_2O_3 .

Manganese

The manganese deposits were discovered in several places such as Vemmasse, Talamata , Venilale(Baucau district), Uato Carabau (Viqueque district). The deposits are interbedded form within red shale and associated with the limestone of the Bobonaro Formation. The manganese deposits mainly composed of pyrolusite mineral with the grade range between 84 – 94.5% MnO2.

Phosphate

The deposits are located in Daemena, Abo (Quelicae- Baucau district), and Laleia (Manatuto district). The phosphate deposits occurs in the unconsolidated gravel - boulder material which similar age to the Ainaro Gravel. Analysis result of the samples taken from Abo area has revealed the significant assay ranging from 9.97 % to 31 % P2O5.

Bentonite

Bentonite-clay deposits are interbedded of the claystone of Bobonaro Scaly Clay Formation and located at Venilale (Baucau district), Bobonaro (Bobonaro district). In Mulia-Quelicai village (Baucau district), the swelling value was recorded between 371 up to 1829 x dry volume. The potencial of mineral reserve is approximately of 115,570,000 cubic metres.

<u>Marble</u>

The deposit has been recorded at Cablaci-Same (Manufahi District), Laclo (Manatuto district) and Builale (Viqueque district). In Laclo, the mineral reserve is thought to be at least 5.000.000 cubic metres.

<u>Gypsum</u>

The gypsum deposits were found to be associated with claystone of the Bobonaro Scaly Clay Formation. The deposit is located at Laleia-Obrato (Manatuto district), result from pit test investigated area of 50 ha has revealed the mineral reserve is approximately of 400 tonnes.





Gypsum crystals scattered over the surface of the Bobonaro Scaly Clay. Location near the town of Laleia, Manatuto District.

Serpentinite



Outcrops of fault-bounded blocks of serpentinite, schist and mélange on the Dili-Manatuto road. Chromite occurs in the hills above this locality.

Quartz Veins



The quartz vein stained with copper. Sample location in Baucau District.

Bentonite



Field Photograph : Outcrop of bentonite in the Bobonaro Scaly Clay. The occurrence is located one km north of Venilale west of the Venilale-Baucau road (Baucau District).

LEGISLATION

Mining Law

• To address global competition for private investment (e.g, one formal document-Mining License, ISA)

 The increased pressure to meet national and international social and environmental standards

 The increased demand from impacted regional, local and traditio communities – involve in national decision-making

• The greater share of revenues generated from mining activities

• A sustainable mining development

Environment Protection

- Ecological base-line survey
- \Rightarrow Existing level of air, water, soil, rock, plant, animal, and culturation prior to initiation of Advanced Exploration Activities
- Conducting Environmental Impact Assessment Study
- Establishment of a Mine Reclamation Guarantee Trust Fund

Community Partnership

At Advanced exploration and mining work:

- Establishment of Sustainable Mining Development Authority
- Permission from local community authorities
- Local community education sessions
- Discuss with district and community most affected by mining activities.

Conclusions

- 1. Geologically, mineral potential of Timor-Leste is very attractive for future mineral exploration and development activities.
- 2. The most attractive metallic mineral potential of Timor-Leste are copper, gold and silver.
- 3. The mining business of metallic mineral is high risk and high capital, so is best done by the private sector as it needs solid financial and technical resources.
- 4. Non-mettalic mineral such as marble, clay, sand, gravels, etc, have great potential in Timor-Leste.
- 5. The growth and development of a country's mining industry is determined not only by its mineral potential alone, but rather, by the policies of government in creating the right business climate to encourage investment.

Thank You