
CIL to get Mozambique coal prospecting licence soon

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India's largest coal miner state run Coal India Ltd said that it is close to getting a coal prospecting licence for two mining blocks in Mozambique with estimated reserves of up to a billion tonnes.

The company in a statement said that "All official formalities related to the grant of a prospecting licence have been completed. The Mozambique government has shown a very positive approach and we expect to get the prospecting licence within a month or two."

Mozambique awarded CIL the two exploratory coal blocks, in the northwestern Tete province, in March. The mineral concessions are for A1 and A2 mining blocks which are spread over an area of 200 square kilometres, and could possess between 500 million tonnes and 1 billion tonnes of thermal and coking coal. CIL plans to export 85% of the output from the Mozambique mines to India, which would help diversify the Asian country's coal imports.

(Sourced from Reuters)

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