



Invest Africa

10th Annual Mining Series

Executive Summary

6 - 8 February 2023

Executive Summary

During Invest Africa's 10th Annual Mining Series, we were delighted to host an impromptu Q&A between H.E Gwede Mantashe, Minister of Energy and Minerals, South Africa and Dr Carlos Lopes, Professor at the Nelson Mandela School of Public Governance, University of Cape Town at our opening reception. H.E Mantashe spoke about South Africa's situation, as a coal producing country and what a just transition for Africa entails.

Key findings from Invest Africa's 10th Annual Mining Series:

Safeguarding the Future: Critical Minerals & Rare-Earth Elements Breakfast Briefing

Our panel discussed the challenges and opportunities within the critical minerals sector in Africa. Africa's abundance of minerals presents huge potential to unlock capital within the mining sector. As alluded to by J. Peter Pham, Former U.S Special Envoy to the Great Lakes Region of Africa, "Africa has a unique role in critical minerals, and with the looming energy transition, there is enormous potential to capture the global value chain."

However, despite a wealthy supply of critical mineral reserves, further exploration is needed in order to effectively unlock this opportunity, and stakeholders across the continent need to collaborate to harness their true potential. Victor Gonzalez, Director, Xcalibur Multiphysics, raised concern for countries not realising their full potential and the associated wasted opportunities. A key challenge is not all countries are set up to explore the resources, due to inadequate infrastructure and lack of policies, which presents risk factors to potential investors.



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ESG: Towards Circularity and Net-Zero Breakfast Briefing

The main theme which echoed throughout the week, was the key role Africa's critical mineral supply will play in enabling the global energy transition. However, whilst the continent has plentiful supply of minerals, a gap in investment, increased ESG regulations and pressure to meet energy transition goals, how can they leverage the demand to unlock growth?

Africa needs massive amounts of electrical power in order to industrialize with several rural areas lacking access to power, this is not possible to achieve without some reliance on fossil fuels. Mohan Vivekanandan, Group Executive: Origination & Coverage, Development Bank of Southern Africa reported that they now only invest in fossil fuel projects that are involved in the energy transition. The region doesn't have the capital to subsidise the transition in the way the West can and costs for extracting renewable materials are higher than for fossil fuel, it presents the question of who should support the cost to decarbonization?

A major concern for the Africa's mining sector is the new regulations and timelines that are put in place by western countries to achieve decarbonization. Kirsten Hund, Head of Carbon Neutrality, De Beers Group, shared the urgency to adhere to ESG for clients, the pressure for companies to meet increased regulation demands and the lack of infrastructure in place to adapt quickly to the changing needs. Investments into mining are not just about increasing profitability, they need to provide benefit to communities and job creation. The mining sector more than any other industry is able to make use of natural solutions to offset carbon emissions as an industry. DeBeers have Kelp farms off Namibia which not only absorb CO2 but the farming positively impacts the community by employing local farmers and creating products to sell.

The implementation of Scope 3 highlights the need to localise supply chains to avoid the indirect sources of emissions from importing materials. An additional concern for the mining industry is the hesitation to add the cost of investment on to balance sheet for renewable energy projects.

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De-Risking African Investment: Unlocking Capital to Drive Growth

The panel addressed the risks related to mining in Africa, and the instruments that can be used for mitigation to bridge the finance gap for Africa's mining industry. Humphrey Nwugo Regional Director – Southern Africa, Afreximbank stated that despite huge mineral deposits, investment into Africa isn't where it should be due to perceived risk. Afreximbank have numerous instruments such as Africa Direct Investments, to encourage capital spending. He agreed however, that investing in the African mining sector is not as risky as it is perceived if you effectively isolate your risks and partner with the right people. Thor Explorations is a West African gold producer, whose CEO & Chairman, Segun Lawson, spoke about the key constraints they have encountered, and stressed they often found the track record of countries is a major barrier. In order to increase international investment, Thor Explorations have transitioned from diesel to compressed natural gas which has significantly reduced their emissions.

The supply gap needed for the energy transition is concerning and pushes for Africa's resources to be further explored, and the increased need for supply as clean energy technologies is much more mineral intensive than technologies dependent on fossil fuel. The potential within the minerals sector in Africa coupled with growing geopolitical uncertainty across the globe will help Africa to unlock its true economic capabilities. Vincent Rouget, Director – Africa, Control Risks reported that ongoing geopolitical tensions effecting the global supply of critical minerals was an increasing concern, and there is huge demand to ensure reliability of key supply chains and boosting local production. This poses huge potential for Africa to show itself as a dependable partner, as exploration across the continent is low and the western world are looking for dependable supply.

We closed the 10th Annual Mining Series with a private function for Tantalex Lithium Resources overlooking Cape Town. Hadley Natus, Chairman of the Board and Eric Allard, CEO of Tantalex, Harpal Randhawa, Chairman at Gem Group and Hussein Matar, Director at AMEA Power, emphasised the growing opportunity for resource bases in Africa to expand production and meet the ever-increasing demand for critical minerals.

Thank you to all of our speakers for sharing their views on the opportunities for Africa's mining sector to harness economic growth, and our sponsors for contributing to an impactful programme promoting the importance of the mining industry in Africa.



Speakers



Eric Allard, CEO, Tantalex Lithium Resources

Eric is a geological engineer with 20 years' experience in project and operations management for exploration mining, oil & gas and construction engineering. He has held various positions as VP operations in junior mining companies in Canada and Africa and has participated in all levels of company management from sales and business management, to technical project management.



Vincenzo Bellini, Director, Independent Energy Pool

Vincenzo is a director of the Independent Energy Pool which allows energy intensive users and energy traders to buy and sell electricity. Vincenzo is deeply involved in the energy industry in Southern Africa with the following milestones achieved to date: First commercial Solar Power Plant in South Africa; First CPV plant in Africa, currently largest in the world; First Bond issue for renewable energy in South Africa and Africa; First CPV plant in Namibia; First Hydrogen Fuel Cell Programme in South Africa and Swaziland; Founding member and a former vice-president of the South African Photovoltaic Association (SAPVIA).



Andrés Blanco, CEO, Xcalibur Multiphysics Group

Andrés Blanco Grasa is the current CEO of Xcalibur Multiphysics Group. He began his professional career at Andersen Consulting, then moved to the French IT company Bull where he managed the international networks and communications group. Since 2013, Andrés Blanco has been the CEO of Xcalibur Multiphysics Group. Xcalibur is a world leader in airborne geophysics. Its activity focuses on mapping natural resources, such as minerals, oil and gas, water and energy sources, including geothermal and hydrogen.



Ekaterina Autet, Senior Investment Officer, International Finance Corporation

Ekaterina Autet is a Senior Investment Officer at the International Finance Corporation (IFC), Global Mining team, where she leads projects with clients located in emerging markets. Ekaterina has over twenty years of investment experience in the mining and natural resources space across a range of financing instruments.



Harry Dempsey, Commodities Correspondent, Financial Times

Harry is the commodities correspondent for the Financial Times. He was previously the FT's industry reporter and before that breaking news reporter. He lived and worked in Japan for nearly five years including two years as a research associate at the leading independent Tokyo-based think tank.

Speakers



Kirsten Hund, Head of Carbon Neutrality, De Beers Group

Kirsten Hund joined the De Beers Group as Head of Carbon Neutrality in October 2020. Her responsibility is to develop and lead the Groups' Climate Strategy, working with the different parts of the company to get De Beers to Carbon Neutrality across its operations by 2030. Kirsten joined from the World Bank, where she was a Senior Mining Specialist, co-leading the Climate Smart Mining Initiative in the Energy and Extractives Global practice based out of Washington D.C, for 8 years.



Angela Jack, Head of Specialty Solutions, Aon

Angela joined Aon in 2020 as Head of Aon South Africa's Financial Services Group and has 22 years' experience specialising in Professional indemnity, Commercial Crime and Cyber Liability. Angela is a leading Directors and Officers Liability expert with practical knowledge and experience on complex D&O multinational placements and claims.



Segun Lawson, CEO, President & Director, Thor Explorations

Segun has been the CEO of Thor since August 2011. He has identified and led all of Thor's acquisitions and financings and in particular, the acquisition of the Segilola Gold Project in Nigeria. Segun has led Thor's growth through, overseeing the transition from a grassroots explorer to becoming Nigeria's first large scale commercial gold producer and continues to lead Thor as it grows in West Africa and as a first mover in Nigeria.



Dr Carlos Lopes, Professor at the Nelson Mandela School of Public Governance, University of Cape Town

Dr Carlos Lopes is Professor at the Nelson Mandela School of Public Governance at the University of Cape Town, Visiting Professor or Science Po Paris, Visiting Fellow at Oxford Martin School, University of Oxford and Associate Fellow of Chatham House. He is a member of a dozen Boards, including the African Climate Foundation that he Chairs.



H.E Gwede Mantashe, Minister of Mineral & Energy Resources

Following the 6th democratic elections, and with the expansion of the Ministry to include Energy, Mr Gwede Mantashe was appointed Minister of Mineral and Energy Resources in May 2019. Mr Mantashe was appointed Minister of Mineral Resources in February 2018. Mr Mantashe holds a Master's Degree from the University of the Witwatersrand, a Bachelor of Commerce (Bcom) Degree from the University of South Africa, where he also completed a Bcom Honours. He is currently studying towards a Master's Degree in Business Administration through MANCOSA.

Speakers



Molebogeng Mazibuko, Vice President of Mining, Africa Finance Corporation

Molebogeng Mazibuko works for Africa Finance Corporation as an Associate Vice President within the Investment Division. She is responsible for the mining related strategy and execution plan in the continent. She has sat on various boards in Southern Africa, including serving as an Investment Committee member of Capital Projects Feasibility Programme within the Department of Trade Industry and Competition and was a Member Trustee under Alexander Forbes Retirement Funds.



Hadley Natus, Chairman of the Board, Tantalex Lithium Resources

Hadley began his career in commodities with Trafigura in 2007, where he specialised in African business in both operational and commercial roles. In 2007, he moved to MRI Trading (formerly Marc Rich) building the team and business which he took with him when founding Afrimet Resources in 2019.



Humphrey Nwugo, Chief Operating Officer, Southern Africa, Afreximbank

Mr. Humphrey Nwugo has been Regional Chief Operating Officer for Southern Africa Regional Office at African Export-Import Bank ("Afreximbank") since February 2019. Mr. Nwugo is responsible for driving Afreximbank' business development activities in trade projects and export development finance at the regional level in Southern Africa. His role includes managing the Banks operations in Angola, Botswana, Eswatini, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Zambia and Zimbabwe.



J. Peter Pham, Former U.S Special Envoy to the Great Lakes Region of Africa

J. Peter Pham is a Distinguished Fellow at the Atlantic Council. He previously served, with the personal rank of United States Ambassador, as the first-ever US Special Envoy for the Sahel Region of Africa (2020-2021) and, before that, as the US Special Envoy for the Great Lakes Region of Africa (2018-2020). Prior to serving in the US administration, Peter was Vice President for Research and Regional Initiatives at the Atlantic Council as well as Director of the Council's Africa Center.



Paul Pryor, Global Mining Practice Leader, Aon

Paul has over 30 years' experience in the mining insurance industry and joined Aon as Global Mining Practice Leader in February 2016 from Bowring Marsh London where he headed up their Mining Practice between 2014 and 2016. Prior to this Paul was the Managing Principal and Mining Practice Leader for the Asia Pacific Region for Marsh from 2007 to 2014.

Speakers



Harpal Randhawa, Chairman, Global Emerging Markets Group

In 1993 Harpal founded Global Emerging Markets ("GEM") which evolved into a Brokerage, Corporate Finance, Fund Management and Private Equity Group. GEM's Fund Management Business included a JV called Gem Dolphin Investment Managers Limited in London. The Emerging Markets side of this business was sold to BNP and the rest of the business was sold to Premier Asset Management Plc. In the past twenty-nine years GEM has been an active investor in Emerging Markets but also Emerging Technologies and Growth Companies.



Hein Reyneke, General Manager, Mainstream Renewable Power South Africa

Hein assumed the position of General Manager in 2016. He has direct responsibility for projects in development, construction and operations including taking the lead on Mainstream's Africa initiatives late in 2016. Since Hein joined Mainstream his roles have included project and business development through to construction. He has over ten years' renewable energy experience.



Vincent Rouget, Director, Global Risks, Control Risks

Vincent Rouget heads Control Risks' political and business risk analysis team for Sub-Saharan Africa, coordinating a team of country risk specialists based in six offices. Since joining Control Risks in 2014, he has been actively involved in consulting engagements for a range of organisations across the region, with particular experience advising organisations on business integrity matters, investment in high-risk areas and complex problem-solving.



Mark Taylor, CEO, Cala Capital

Mark is a former maritime lawyer, ran an Investec Bank property finance team, and managed a trust and family office business in Amsterdam. Mark joined the chairman of a large industrial conglomerate and global luxury goods business as his executive assistant before leading new investment evaluations at VenFin, then Africa's largest listed tech PE investor, and turning around a JSE-listed technology company as CEO. Mark is independent investment advisor to an Africa-focused private equity fund. In his dark past, Mark also managed one of South Africa's great rock bands.



Bertrand Troiano, Managing Director, FTI Consulting

A senior executive with expertise in corporate finance, business analysis, and strategy, restructuring, public company reporting and regulatory requirements, risk management, valuation, planning, commercial strategy, operations management, and capital projects execution. At FTI, Mr. Troiano has been leading engagements in M&A Advisory, Business Transformation, Operational Turnaround, Financial Restructuring, and Decarbonization strategies.

Speakers



Mohan Vivekanandan, Group Executive: Origination & Coverage, Development Bank of Southern Africa

Mohan is a member of the DBSA's Group Executive Committee, with accountability for pan-African deal origination/client management. The DBSA's mandate is sustainable infrastructure development and financing across the African continent. His teams concluded over 30 transactions worth ZAR16bn in the last financial year. Mohan's focus is the intersection of infrastructure and development finance.



Terence Williams, CEO, South Africa, Aon

Terence is responsible for all Aon operations in South Africa. Before his appointment as CEO Aon South Africa, he was the Chief Broking Officer for Aon. He joined Aon in June 2001 as a Broking Director in Aon United Kingdom, and in August 2011 he became Head of Casualty Aon Global. In March 2013 he returned to South Africa to work for Aon in his country of birth.



Nonpumelelo Zikalala, CEO, Kumba Iron Ore

Mpumi is the CEO of Kumba Iron Ore Limited. She is on the Kumba Board as an executive director and Chairman of the operating entity, Sishen Iron Ore Company (Pty) Ltd. Mpumi started her career at De Beers in 2001 as a process engineer and worked in various leadership levels within production management. In 2007, she was appointed General Manager at De Beers Kimberley Mines, becoming the first female General Manager in the De Beers Group.

Headline Partner Testimonial



As Aon South Africa, we are deeply appreciative of the opportunity afforded to us in stepping onboard as headline sponsor of Invest Africa's 10th annual Mining Series. It is refreshing to be part of an event that is focused on building an industry that is a massive economic contributor in every country of operation. Sharing our vision, unpacking challenges, finding solutions and identifying paths of growth and progress are what we take from the event to build a stronger mining sector.

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