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MINING IN AFRICA
COUNTRY INVESTMENT GUIDE

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Could you give us an overview of CSA Global's core capabilities and footprint in Africa?

Part of the ERM (Environmental Resources Management) Group, CSA Global is a geological and mining consultancy with offices around the world. We serve the African continent from our Johannesburg base, where we have a large team of geologists. Our expertise includes early-stage exploration advisory services made up of mineral Resource estimation, mineral asset valuation and financial modelling, water services and hydrogeology, and technical studies for companies listed in various stock exchanges, including Toronto, Australia, London, etc. We also have capabilities in the later stages of the mining chain, including development and mining projects, through our greater CSA Global network in respective global offices.

How do developers that are preparing a PFS or a DFS in 2022 account for commodity price variations in their reports?

Valuations can be sensitive in the current economic environment. Commodity price assumptions, therefore, need to be backed by various and rigorous sources of price information, forex rate assumptions and impact on transaction values, inflation, exchange rates, and cross-checked against credible third-party sources to reach a consensus on economic feasibility.

It is always up to a competent valuator to make the call on what is reasonable and defensible. The projections should also be limited to a reasonable time frame due to the variables affecting prices. CSA Global advises clients on how their projects can be developed while outlining the risk of exposure to commodity price fluctuations.

What do you identify to be some emerging mining jurisdictions or belts in Africa?

One is the Kalahari Copper Belt, which extends from Zambia into Botswana and even to Namibia, which is one of the world's most prospective areas for discovering sediment-hosted copper deposits. Botswana has been historically a large producer of diamonds, but companies such as Sandfire Resources, Cobre Limited, Kopore and Khoemacau are developing copper projects. Namibia has been under the radar for some time but is now seeing a resurgence in gold, copper, and lithium. East Africa, known for sizeable graphite deposits, is also seeing more activity,



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especially in Mozambique, as graphite ties into the strong demand for EVs. The Kabanga nickel project in Tanzania is one of the world's largest undeveloped deposits and one of several nickel projects in the area. The Arabian-Nubian Shield region, which hosts the world-class Sukari gold mine in Egypt, is also getting more attention, especially in Ethiopia and Sudan. Further north in Egypt, strong results are reported from gold exploration on the most recently awarded gold exploration licences in the Central Egyptian desert.

How can CSA Global support explorers that are looking to operate in high-risk jurisdictions?

CSA Global benefits from synergies with other companies under the ERM Group. For instance, Critical Resource conducts the geopolitical risk assessment and corporate strategic work. ERM's focus in the mining sector is on sustainable mining project development, operation, and mine closure, liability management and other environmental aspects, as these are significant risks. The integration of CSA Global, ERM and Critical Resource service lines presents a comprehensive end to end technical, governance, risk and ESG solution to the industry. These synergies allow us to offer the mining industry an integrated due diligence service, inclusive of strategic advice through to on the ground implementation around the low-carbon energy transition and our ability to operate in high-risk jurisdictions.

Do you have a final message?

We want to harness and expand the ERM integrated services package to the market because we believe it is a powerful offering and ticks all our client's needs, including the growing demand for green metals in Africa, which will lead to economic development. We are also expanding the team and continue to add a variety of expertise within the various commodities.

