

# Gold(en) opportunities in West Africa

By [Nicci Botha](#)

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West Africa still holds a certain lustre among gold miners, although they are cautious about the regulatory and security risks. In a panel discussion at Investing in African Mining Indaba 2020, David Awram (DA) senior executive vice president, Sandstorm Gold, John Welborn (JW), CEO, Resolute Mining, Peter Ruxton (PR), principal, Tembo Capital and Cathleen Cox (CC), group executive exploration, Africa and Europe, Newmont discussed the pros and cons of mining in the region.



Cathleen Cox, John Welborn, David Awram, Peter Ruxton

## What makes West Africa attractive?

**DA:** "West Africa has had a good run in the last 10 years, and our mines are being built on time and on budget. However, thanks to instability in the country, Burkino Faso has 'tumbled off a cliff'."

**PR:** "We are gravitating to countries where mining codes work. Nigeria is an example of a country that is attracting attention. It has put in place a new fiscal code."

**CC:** "West Africa is a fantastic place to be from an investment point. Some countries are getting it right."

**JW:** "We've made investments in jurisdictions that are familiar with mining and mining codes. More recently we've been looking at Egypt and Sudan. The pyramids were full of good, but there are no significant gold mines in the Arabian/Nubian

shield, and there should be. The only thing that is holding us back is the lack of mining codes.”

## What about investment risk?

**CC:**From a prospecting perspective, almost all West African countries hold possibilities, but security is the issue. We need to balance risk against profitability. Mali, for example, has a mining code that is proven to work, but that doesn't mean it's a safe place to be.”

**DA:**”We always look at the risk/reward ratio. We rather take on a political risk to a technical risk. One of the key markers is how successful investment in a country has been before. Nigeria, for example, has been a successful oil investment destination for years, which makes it attractive.”

## Which are the best jurisdictions?

**PB:**”If you're looking for gold in Africa, look in West Africa. We then need to look at jurisdiction. Senegal and Cote d'Ivoire have opened up fairly recently, with Birimian rock formations that haven't been explored yet, because of the political instability. It's a big shame about the political instability in Mali and Burkina Faso.”

**CC:** “For us, Ghana is a good prospect, with its well-established mining codes and political stability. We are expanding into Cote d'Ivoire, which is now a large part of our focus.”

**JW:**”We're looking at Senegal, Mali and Ghana. Typically, we are looking for projects with 10-year mine life and 200,000 ounces per year. We are looking at jurisdictions where we can rely on the rule of law and good relationships with the government. We're turning the gold in the rocks into wealth for people.”

**DA:**”Our largest stream of income is Burkina Faso, but for exploration, Cote d'Ivoire has everything working in its favour right now.”

## ABOUT NICCI BOTHA

Nicci Botha has been wordsmithing for more than 20 years, covering just about every subject under the sun and then some. She's strung together words on sustainable development, maritime matters, mining, marketing, medical, lifestyle... and that elixir of life - chocolate. Nicci has worked for local and international media houses including Primedia, Caxton, Lloyd's and Reuters. Her new passion is digital media.

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