

IRON DEPOSIT BANALIA (DRC) vs SIMANDOU (GUINEE)

GENERAL CONSIDERATION

“Global demand for steel is expected to increase by 24% by 2050, driven mainly by emerging markets,” lists Gerard Rheinberger, general manager of Rio Tinto’s Simandou project. Europe and the United States have also adopted numerous incentive measures supporting the decarbonization efforts of the steel industry, which represents 8% of global CO2 emissions.

The DRC has gigantic hydroelectric potential, making it possible to reduce iron ore without any CO2 emissions. Considering an energy of 3.5MWh per tonne of steel reduced by direct hydrogen reduction (DRI/H2), the ore reduction potential using 75% of the hydroelectric energy potential of Wannie Rukula (2000MW) would be 3, 75M tonnes of steel per year. In the case of the reduction of ore by 75% of Grand Inga (42000MW) it will be 79Mt of steel per year.

DEPOSIT

SIMANDOU

Estimated at 2.4 billion tonnes between 65.3% (for resources) and 66.1% iron (for reserves), the Simandou range extends 110 km long from north to south. The width of the relief represents a few kilometers (4 to 7 km) with a summit formed by a rocky ridge sometimes a few hundred meters long. This formation located at altitude was leached of part of its silica which led to an increase in the iron content of the itabirites.

BANALIA

Estimated at >1 billion tonnes @65.3% iron (www.thaurfin.com/reserve-minerai-de-fer.pdf), this deposit represents between 10 and 15% of the iron resources of the former Orientale Province (20 billion tonnes), The Banalia deposit extends over 45km of mountains of around a hundred meters formed by rich itabirites leached of their silica by the hydrothermal phase of the consolidation of the granite massif which adjoins it.

The presence of gold whose reserves are estimated at more than 2MOz makes it possible to put into operation the 3PR of Thaurfin ltd and obtain operating permits with a validity period of 25 years

HISTORICAL

SIMANDOU

It took almost thirty years, marked by endless corruption cases and reversals, for the Simandou mountain deposit to finally be exploited. Barring any further developments, the various companies with mining rights, including the giant Rio Tinto, should break ground in 2024.

BANALIA

Corruption is also the source of the delay in developing the Banalia deposit. Dan Gertler monopolized this deposit with non-existent titles prohibiting any investment that requires solid mining rights, any due diligence reveals that these mining rights granted to Dan Gertler never existed, [https://thaurfin.com/INEXISTENCE .pdf](https://thaurfin.com/INEXISTENCE.pdf); on the other hand, those held by Thaurfin ltd were held in full compliance with mining regulations.

INFRASTRUCTURE

SIMANDOU

Deposits located between Liberia and Ivory Coast and far from the country's access to the sea. "The project includes the construction of more than 670 kilometers of railway crossing the country from east to west to reach the Atlantic coast, as well as port infrastructure. Rio Tinto must notably build a 75 km railway spur to join the main line (built by WCS), a maritime transshipment quay in the Guinean port of Morébaya, and the roads necessary for its mining trucks to move into the mountains.

This infrastructure only concerns the export of iron ore.

BANALIA

Deposit located 220km from Kisangani. A 250km railway must be built between the mine and the Congo River. The transport of the ore to Kinshasa is done by rail convoy on barges in order to avoid load disruptions, this river transport is adapted to the properties of the Congo River. From Kinshasa to the new deep water port of Banana, a new 550km railway line is to be built.

River transport and the railway from Kinshasa to Banana are of national interest. The deep water port of Banana is already financed by DP World

INVESTMENTS

SIMANDOU

China Baowu Steel Group announced a fundraising of 10 billion yuan (approximately \$1.4 billion), of which at least 70% will be allocated to the Simandou iron ore project; these funds would be intended for Blocks 1 and 2 of the project, held by the WCS consortium with which the Chinese company signed a partnership agreement in September 2023.

Rio Tinto has announced plans to invest \$6.2 billion to realize the potential of Blocks 3 and 4 of the Simandou project, which is scheduled to begin production in 2025.

BANALIA

Awaiting the issuance of research certificates which were not in violation of mining legislation, as a result, valid mining permits have been in force majeure since their granting. An investment of a few dozen million dollars is enough to finance prospecting to determine certain gold and iron reserves and to obtain mining permits for gold and iron. Gold mining will fund the studies.

CONCLUSIONS

The 3 mining permits held by Thaurfin Ltd were granted in full compliance with mining legislation which was violated by the mining registry office which did not issue the prospecting certificates.

This is amply documented in this letter to the attention of the mining registry office, published at the URL <https://thaurfin.com/TH-020-24.pdf>. Any headlong rush by the Authorities will only delay the development of this exceptional iron deposit and the development projects they support.