

# Mining and Energy Practice

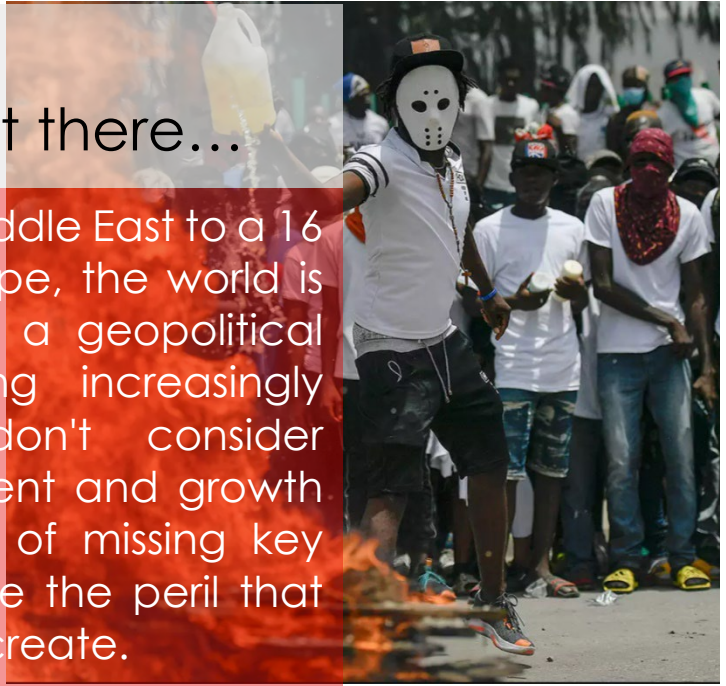
Prospectus and Offerings



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It's a dangerous and unpredictable world out there...

From political upheaval in the Middle East to a 16 year old hacker in eastern Europe, the world is changing at a fast pace with a geopolitical environment that is becoming increasingly complex. Businesses that don't consider geopolitical risk in their investment and growth strategies not only run the risk of missing key opportunities but fail to manage the peril that unstable political environments create.



## Who is The Minotaur Group?

We are a Washington, DC-based geopolitical risk consultancy with over 20 years of industry experience. We provide intelligence and advisory services to corporations, government agencies, and individuals. Our offerings are unique, fully customized, and use our years of experience to help our clients navigate today's turbulent world.

## Anthony Alexiou, Founder and Principal



N. Anthony Alexiou brings over 20 years of security, analysis, and geopolitical experience to each project he undertakes. He has served at the highest levels of the risk management industry and serviced clients from a variety of industries.

Anthony's experience ranges from high-level political and economic analysis, plan design, and senior leader and executive training. He has worked with many large private sector and government clients advising them on strategic planning, risk and hazard mitigation analyses, as well as providing safety and security training for a vast array of people. He has been published in peer-reviewed journals and has served as an expert on several panels



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# Why You Should Work With Us

## Simply, we add value

The weight of our value proposition to you and your customers can be counted in hundreds of thousands of dollars.

The insight you receive at one of the industry's lowest costs gives you foresight on world events that will let you adjust your business decisions quickly and decisively.

Our specialized offerings are as important as ESG and geological studies and when you don't have them, it can make you less money.

**Minotaur: All of our products are customized to your needs and focus areas, giving you the information that's actually useful in making your best decisions**

*Our Competitors: They give you canned reports that includes information you have no need for and offer nothing of value to your immediate decisions*

**Minotaur: We offer set rates and give you everything we promise. Need something clarified or have more questions? You got it – it's a part of what you already paid for! Additionally, our low overhead allows us to be one of the best values in the industry**

*Our Competitors: They charge exorbitant rates to cover their exorbitant costs. If their canned intel doesn't work for you and you need something more specific? That'll cost you even more*

**Minotaur: We're proactive, not reactive. We tell you about possible events before they happen and offer you options and opportunities based on several different potential outcomes**

*Our Competitors: Report on things after-the-fact and leave you on your own to figure it out*

**Minotaur: We're a full partner in your decision making process giving you personal attention every step of the way.**

*Our Competitors: You're just another account that gets canned information. Personal attention? You better believe that's going to cost you.*



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# How We Help

**Geopolitics is the second most important risk factor for the Mining and Energy Industries** behind ESG. We ensure that you have all the information you need about where you are prospecting, drilling, and transporting so that you can make the most money possible with a minimum of hiccups and downtime. International political and economic forces go far beyond the quarry. **Understanding them gives you an edge that other companies don't have.**

We help by:

Ensuring you have the information you need before it's too late to do anything about it – and providing you options on how to react	Creating fully customized Country/Regional/Industry Risk Projections at both the macro and micro levels
Providing you with detailed analysis of world events, an assessment of how these events will transpire and what it will mean in the short, medium and long terms	Outlining what opportunities exist no matter the situation

We Offer Three Delivery Options:

## Service Option 1 – Basic

- Unlimited conversations to answer questions, discuss political and economic events that can affect markets and forecast what events can turn into, what it means for markets and how that affects your clients' investments.
- Weekly informal reporting which will take the form of a maximum five-page report – one country/region/issue or industry per month (upgraded in Option 2) - chosen by the client
- A short 'spot report' giving laser-focus to a single industry/asset/issue/interest discussing a major development or change as they occur in the clients focus area or industry
- 'Breaking News' alerts

## Service Option 2 – Formal Reporting

- Everything included in Option 1 plus: A comprehensive report covering up to three (3) countries/regions/industries that you and your client are focused on. Provided three times a month – **this replaces the weekly informal report**

## Service Option 3 – Full Strategic Advisory Consulting Services

- Everything in Option 2 plus:
  - In-depth risk studies for specific projects/countries/regions/industries - unlimited
  - Simulations and gaming of potential outcomes – up to one per 6-month term and 3 per 1-year term
  - Comprehensive country and industry briefings - unlimited
  - Workshops - unlimited
  - Strategy Conferences - unlimited



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# How We Help

## Breaking Down the Service Options

- **Unlimited Conversations:** Any questions you have, anything you need clarified, our team is available for discussions and informal analysis to help you understand an issue, clarify an analysis or run through options. This can be done any way the client prefers; on the phone, zoom, email, etc.
- **Weekly Informal Reporting:** A weekly report delivered once a week, keeping you up to date on the political, economic, security and risk situation in a country/region/industry that you have interest in. This is a maximum 5 page report. A broken-down example is shown on the subsequent pages.
- **Spot Reports:** A quick and short report focusing on a specific issue that is of vital importance to you. These are delivered as necessary following a 'breaking news' deliverable. A broken-down example is shown on the subsequent pages.
- **Breaking News Alerts:** Immediate alerting by your preferred way (phone, email, text, etc.) of news and issues that require immediate attention. These are unlimited.
- **Comprehensive Reporting:** A very detailed report focusing on up to three regions/countries/industries (or any combination thereof) discussing the political, economic, security and risk situation, major players involved, actions they are taking and how that will affect the mining and energy environment.
- **In-Depth Risk Studies:** a detailed and comprehensive risk study on a project, region, country or industry. Risks are presented as probabilities and mitigation measures for each risk is provided.
- **Simulations and Gaming:** We develop a simulation program based on an opportunity you are taking or a move you are planning to make. This simulation runs through all possible outcomes to help you determine the best course of action.
- **Comprehensive Region/Country/Industry Briefings:** An in-person or zoom briefing on a critical situation or of an area you wish to learn more about. This goes into significant detail and are unlimited.
- **Workshops:** A training/educational opportunity where our team provides an in-depth, interactive seminar/workshop on topics that are relevant and important to you.
- **Strategy Conferences:** An in-depth and intensive meeting that will guide your team in setting short, medium, and long term investment, drilling and prospecting strategies with regards to geopolitical and geoeconomic issues.





# Monthly Reporting: The Depth You Need

Information is the key. If you don't understand what's going on, you're wasting yours and your client's time. Our short-form monthly reports provide you depth of information and actionable intelligence that will help you make the most profitable and lucrative decision.

**YEMEN REPORT: Week of October 17/22**

**Civil Scale**

**Security Scale**

**Opportunities Scale**

**Issues**

- Supply chain problems could renew fighting
- Buried landmines are a major hazard
- Only 1 airport is open with limited service
- LNG Port remains closed

**Opportunities**

- Upstream oil companies restarting extraction
- Major mining partnership pending
- Significant infrastructure spending starting
- UAE companies poised for major contracts

**Current Situation**

The conflict has been winding down for the better part of this year however, the lack of central government and a significant lack of basic supplies like water and medicines threatens to start the violence up again. This doesn't mean that it will be full-on civil war again. Quite the contrary, the Houthis which had control of the capital now for some months want stability and foreign investment to return to their country. Aid groups are stepping in...

**Civil Changes**

The UN brokered ceasefire that took effect this past April expired on October 2. Large-scale fighting has not resumed, though some skirmishes along areas of control by the two main groups have occurred...

**What's New**

There are reported shortages in medicines and water coming into the country and unless that situation changes, the chances of a return to fighting increases significantly. The country remains political unstable however infrastructure important to your operations are well beyond the conflict lines and ought to be secure for at least another 45 days though most likely more...

**Trends to Watch**

The expiration of the ceasefire two weeks ago has increased tensions in this country significantly. This will abate as soon as aid groups are able to work with the STC government and alleviate the situation. Overall, the current lines should hold between the warring groups and expect to see a degree of rapprochement between the main belligerents if the ceasefire holds until the end of the year and supplies get through...

**Pressing Security Issues**

- Kidnapping remains a problem in this country and will be the case for the long-term

Quick-reference summary highlighting major points from the report and a scale showing the status of major issues

Information customized to your needs on an area, topic, industry, or item

Descriptions of issues of note for this period of time

What moves are being made in the focus area and what opportunities it could present for you or your investors. Can include as many or as few sectors desired as well as a listing of high-level meetings between industry leaders that could portend other opportunities

- Land mines are buried throughout the country. Exercise caution when travelling or performing any work or activities

**Transport and Supply Chain**

**Availability of Air Transport**

Airport	IATA Code	Status	Airport	IATA Code	Status
Abbs	EAB	X	Mukalla	RIY	X
Aden	ADE	X	Mukeiras	UKR	X
Al Bayda	BYD	X	Qishn	IHN	X
Al Ghaydah	AAY	X	Saadah	SYE	X
Albuq	BUK	X	Sanaa	SAH	✓
Ataq	AXK	X	Selyun	GXF	X
Beihan	BHN	X	Socatra	SCT	X
Hodeida	HOD	X	Talz	YAI	X
Kamaran	KAM	X			

Note: Only Sana'a International Airport is operational and only for limited commercial flights

**Availability of Sea Transport**

Seaport	Status	Seaport	Status
Aden	✓	Nishun	✓
Ash Shihr Oil Terminal	✓	Ras Isa Marine Terminal	X
Bahaf LNG Terminal	✓	Ras Isa Petrol Reception Facility	X
Hodeidah	✓	Rudhum Oil Terminal	✓
Makha	✓	Saleef	✓
Mukalla	✓		

**Opportunities and Moves**

With no ceasefire violations, production for exports is beginning again

**Oil**

- Companies that will increase extraction include Total, Occidental Petroleum, China National Offshore Oil
- Companies that need to have your attention:
  - DNO of Norway - Planning to accelerate drilling in Yemen at Nabrajah Field, Tasour Field and Shayroof Field
  - Gallo Oil of Indonesia is planning to begin drilling on the concessions they hold in Al Riza and Wadi al Armah

**Mining and Minerals**

The UAE remains a huge player in Yemen in this sector through Thani Dubai and Fujairah Gold with interests also from Canadian company Contex. Noteworthy:



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# Snapshot of a Problem: The Spot Report

Unlike our short-form monthly report, we give you this when there is something you need to know (and maybe even take action on) now. We start with a 'breaking news' alert either by email, text, or phone to give you a quick verbal summary and then we give you this – more detail and a list of possible actions you can take, or at least think about while you consider how to respond to this. It's quick, it's short but it's full of the information you need in an instant.

Short summary of the situation, why it's important and why it needs your attention along with an illustration

## Spot Brief: Mexico to Nationalize Lithium Mines

### Quick Summary

The Government of Mexico has announced that it plans to nationalize all lithium mines, throwing hundreds of millions of dollars in contracts into jeopardy. This is the FIRST STEP to a larger mineral and resources nationalization plan that the Mexican Government plans to undertake. While treaties and contracts in place do need to be honored, the Mexican Government is looking for ways to circumvent them. This sets up for millions in damage and breach claims. This is expected to take effect in 3 months if there is no litigation and years with litigation. There will be litigation.



### Key Information

- Estimated Capacity: 17,500 tons in the first four years and 35,000 tons thereafter
- Major Players: Bancora Minerals (Canada), Ganfeng Lithium (China), Grupo Mexico (Mexico) – note that Ganfeng is attempting to build a joint venture including all players with an initial investment of \$420 Million USD
- 18 discovery sites, 10 are untapped. Largest is La Ventana in Sonora and is the largest reserve in Mexico
- Current concessions: 8

### Problems and Issues

#### For Mexico...

- Will force companies to make claims for breach of contract, force majeure, and material adverse change
- Action can breach Mexico's obligations in over 40 bilateral and multilateral trade treaties

#### For Investors...

- **Uncertainty.** Mining activities will stop while this processes through litigation
- **Static or Declining Market.** At best project and company values be flat, at worse, the uncertainty will result in selling and price drops
- **Locked Assets.** Assets might be frozen during any arbitration or litigation

### Solutions, Opportunities and Things to Consider

- Bancora will be refocusing on tapping mines in Bolivia and Chile if operations in Mexico stall
- Mexico is 9<sup>th</sup> in the world for lithium deposits. Expect other countries to take advantage of what is going to be a hole in the industry
- Consider how long litigation will take and determine if other companies will be a sounder investment such as Albermarle working in Chile or AVZ Minerals working in DR Congo
- Determine proper positioning in case Mexico is forced to honor treaties and contracts
- A government change in Mexico could reverse this very quickly. Next election in Mexico is set for July 2024

Important points to note

What's bad, what's important and what might require action

Actionable guidance and intelligence



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717 D Street, NW, Suite 313  
Washington, DC, USA 20004

Tel: +1.202.838.3131  
[info@TheMinotaurGroup.com](mailto:info@TheMinotaurGroup.com)  
[www.TheMinotaurGroup.com](http://www.TheMinotaurGroup.com)