MINISTRY OF MINES AND ENERGY

MINING SECTOR OF BURKINA FASO AND INVESTMENT OPPORTUNITIES

H.E Lamoussa Salif KABORE

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EXPOSITION PLAN

Introduction

1- Mining Potential

2- Results

3- The Future
Thank you for this opportunity that allows us to present the mining potential of Burkina Faso, recognized today as a mining country having very attractive mining legislation and overall tax system;

Today, I have the great pleasure of informing you that since our last meeting, just one year ago at PDAC 2012, we have organized the 5th edition of the mining promotion conference (PROMIN) and attended the opening of two new mines in Burkina Faso, which are:
TWO NEW MINES OPENED in 2013

- Bissa Gold Mine:
  - Company: Nord Gold
  - January 17, 2013
  - Resources 1.2 M oz

- Perkoa Zinc Mine
  - Company: Glencore
  - January 19, 2013
  - Resources: 6.7Mt @18% Zn and 359/t Ag
  - Total estimated production: 900,000 tons of zinc
Burkina Faso is located in the heart of West Africa with 6 neighbouring countries and a surface area of 274,000 km². The most recent census shows a population of 16 million inhabitants. For the last 25 years the country has enjoyed great political stability and this is a good asset for its economic and social development. The most recent presidential elections in 2010 and the combined elections (legislative and regional) of 2012 took place in a calm and peaceful atmosphere. Associations such as CMB, AFEMIB and CONAPEM have been created by private groups to defend their interests in the sector.
Map of location of the principal mining reserves of Burkina Faso:
1- Mining Potential

Among the mineral substances detected, we can mention:

- **Gold (Au):** found virtually everywhere in the country;
- **Diamonds (C):** we have found several indications in the region of Barsalogho and in the alluvia in the Comoé, Mouhoun, Léraba and Sissili river basins.
- **Copper (Cu):** with deposits in the regions of Gaoua, Dienemera - Gongondy, Wayen and Goren, with more than 80 million tons of reserves (at 0.25% and 0.35% Cu);
- **Zinc (Zn):** with the important deposit of massif sulphide in Perkoa that contains more than 6.9 million tons of ore with 18% zinc and 20g/tonne of silver;
- **Lead (Pb):** we have the indication at Gan near Tougan.
Dolomitic limestones including the deposit at Tiara;

Marble: worked in Tiara near Bobo Dioulasso.

Siliceous sand: from the Sonssorobougou deposit, not far from Bobo-Dioulasso, that contains 32 million tons of reserves;

Kaolin: that can be found in many areas (Diekui, Koreba, Bobo Dioulasso, Titao, Kongoussi, Ouagadougou, etc.);

Granite: among which are the pink granites of Pama;

Some indications of uranium found in the East and the West of the country.
As of December 31, 2012, there were: **941 mining titles made up of** (665 research permits) and authorizations (214 traditional and semi-mechanized mines, 51 quarries) and **11 permits** for industrial large-scale mines;

- 7 large industrial mines and 2 small gold mines entered **production** between 2007 and 2012.
Annual gold production of Burkina Faso has evolved as follows:

- 2008: 5.4 tons
- 2009: 12.5 tons
- 2010: 23.1 tons
- 2011: 32.6 tons
- 2012: 30.2 tons
- 2013 forecast: + 40 tons

In financial terms, the Burkina public treasury collected direct funds in 2012 of CFAF 189 billion compared to 127 billion in 2011. The contribution to the GDP was 12.7% in 2012.
## Direct employment (2012 year)

<table>
<thead>
<tr>
<th>Mining company</th>
<th>Total manpower</th>
<th>National employees</th>
<th>Local employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Société de Mines de Taparko (SOMITA)</td>
<td>633</td>
<td>608</td>
<td>222</td>
</tr>
<tr>
<td>Burkina Mining Company (BMC)</td>
<td>384</td>
<td>361</td>
<td>161</td>
</tr>
<tr>
<td>Société d’Exploitation Minière de l’Afrique de l’Ouest (SEMAFO)</td>
<td>603</td>
<td>553</td>
<td>167</td>
</tr>
<tr>
<td>Kalsaka Mining SA (KM)</td>
<td>386</td>
<td>360</td>
<td>266</td>
</tr>
<tr>
<td>Société des Mines de Belahouro (SMB)</td>
<td>623</td>
<td>565</td>
<td>171</td>
</tr>
<tr>
<td>ESSAKANE SA (AIM Resources)</td>
<td>2316</td>
<td>1251</td>
<td>928</td>
</tr>
<tr>
<td>BISSA GOLD</td>
<td>590</td>
<td></td>
<td>175</td>
</tr>
<tr>
<td>NANTOU MINING</td>
<td>180</td>
<td>97</td>
<td>36</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>5715</strong></td>
<td><strong>3795</strong></td>
<td><strong>2126</strong></td>
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</tbody>
</table>
2 - RESULTS 4/4

Social Achievements in 2012

In the area of corporate social responsibility, several mining companies have developed infrastructure such as:

- Education: schools, support for women’s productive activities, youth training (mechanic, carpenter-joiner, welder, etc.)
- Health: construction of community clinics, purchase of ambulances
- Infrastructure: more than 4000 housing units, roads (272 km in 2012) several dams, around 30 water-well drillings and several houses of worship
3 - THE FUTURE

These are advanced mining projects in terms of the level of exploration and the geological and mining research programs underway:

- Advanced projects
  These include the development of gold deposits development such as those of Kiaka (VOLTA RESOURCES), Nianka-Nogbele (GRYPHON MINERALS), Konkera (AMPELLA MINING), Karma (RIVERSTONE RESOURCES INC), Hounde (Avion Gold) and Bombore (OREZONE RESOURCES INC).

N.B. Two historically recognized mining projects have just been awarded to private promoters. They are integrated projects in the area of Tamboa for Manganese and the project to develop the gold-bearing district of Poura with the NEWMONT company.
3 – The Future (cont’d.)

- **Geology and mining research:**
  - Airborne geophysical survey over ¼ of the country
  - Revision of geological maps to 1/200,000
  - Transferring to geological maps at the scale of 1:100,000 and 1/50,000
  - Vast mineral prospecting survey undertaken by the Government with World Bank support to detect new mineral deposits
Policy and Promotion

- Reviewing the Mining Code of 2003 to make it more attractive in a win-win partnership
- Creation of regional consultation officers to establishing an on-going dialogue between stakeholders
- There is also the organization of the mining promotion conference (PROMIN BURKINA), the 6th edition of which is scheduled for February, 2014
Ministry of Mines and Energy; in charge of conception and implementation of mining policy in the country;
Bureau of Mines and Geology of Burkina (BUMIGEB) which carries out important geological research and offers geo services;
Ministry of the Economy and Finance (MEF) in charge of mining licence taxes payment and managing ITIE (Burkina attained the status of compliant country as of February 2013)
Ministry of Environment and Sustainable Development (MEDD) in charge environmental monitoring, specifically environmental and social management plans;
Mining Chamber of BURKINA (CMB), Association of Women in Mining of Burkina (AFEMIB), and the National Confederation of Small Miners (CONAPEM) which are organizations responsible for defending the interests of private miners
Organizations in Civil Society (OSC)
THANK YOU FOR YOUR ATTENTION