TONKOLILI NORTH IRON ORE PROJECT

KASAFONI DEPOSIT

State held greenfield iron ore development opportunity | Sula Mountains, Sierra Leone



EXECUTIVE SUMMARY

Tonkolili North centres on the Kasafoni ore body in Mining Lease 1 B, about 10 km east of Bumbuna. The asset is State held, extensively drilled and close to existing heavy haul rail infrastructure. The immediate investment opportunity is project preparation, not construction. A 15 month, USD 9 to 14 million programme is designed to convert a contractor concept into an independent evidence base that can support transparent licensing, lender due diligence and a bankable study.

PROJECT HIGHLIGHTS

38.7 Mt
Measured DSO at 56.8% Fe

41.1 Mt
Total direct shipping ore

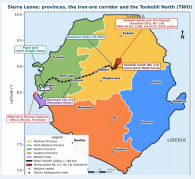
428.6 Mt
Intermediate ore beneath DSO

Up to 5.6 bn t
Magnetite potential across about 125 km²

7 to 8 km
From Kasafoni pits to existing railhead

5 Mtpa
Reference mine concept in 2025 study

LOCATION AND LOGISTICS



Kasafoni lies in the Sula Mountains within the State held Mining Lease 1 B. It is about 7 to 8 km from the existing Tonkolili railhead and roughly 200 km by heavy haul railway to Pepel Port. Long term capacity, tariff certainty, performance standards and lender rights must be contracted before the asset can support senior debt.

MARKET CONTEXT

Mineral exports reached about USD 1.3 billion in 2025, with iron ore contributing roughly 69%. The World Bank expects iron ore prices to soften through 2026 and 2027 as global supply remains ample. That makes product quality, rail economics and disciplined capital intensity decisive. Baomahun secured USD 330 million of senior DFI debt in December 2025, showing that well prepared Sierra Leonean mining projects can reach financial close.

INVESTMENT OPPORTUNITY

Immediate preparation capital

USD 9 to 14 million

15 months | October 2026 to December 2027 | 9 lender facing deliverables

Co funding is sought for confirmatory drilling and geotechnics, environmental and resettlement baseline work, pre feasibility, market and offtake analysis, rail and port access, title and cadastre work, transaction advice, and a certified data room. Preparation costs are intended to be recovered from the eventual licensee at award. The 2025 contractor study reported USD 137.55 million of construction investment and USD 158.11 million in total, but the estimate omits material scope and has no stated accuracy class. Future mine development capital, gearing, IRR, NPV and payback must therefore be established independently through the pre feasibility and bankable feasibility stages.

FROM RESOURCE TO FINANCIAL CLOSE

INVESTOR DUE DILIGENCE FRAMEWORK

INDICATIVE PROJECT ECONOMICS AND STAGE

REFERENCE 2025 CONTRACTOR CONCEPT

Construction investment	**USD 137.55m**
Total reported investment	**USD 158.11m**
Mine concept	**5 Mtpa, nine year ore schedule**

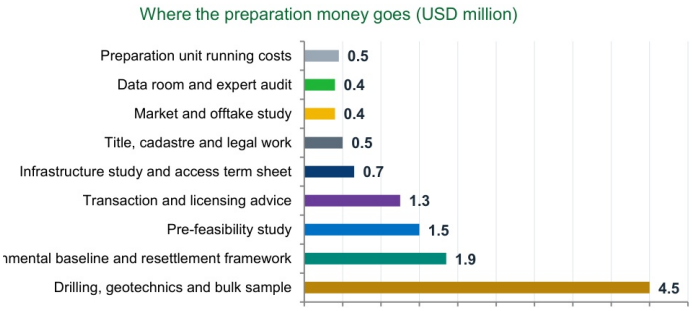
INVESTOR CAUTION

The reported 70.11% post tax return is not lender grade. The review identifies omitted scope, uncontracted logistics, an unverified quality discount, no Ore Reserve, and no stated cost accuracy class. IRR, NPV and payback should be reset through independent studies.

INDICATIVE FINANCING ARCHITECTURE

A financeable structure should be layered rather than rely on short tenor high gearing. The source material points to senior debt from development finance institutions, supported by offtake prepayment and a stream or royalty linked to longer term magnetite upside. Final gearing should be sized against downside cash flow, reserve accounts, cash sweep mechanics and contracted rail access. The capital estimate must first be re baselined to a recognised accuracy class.

PROJECT PREPARATION PROGRAMME



BANKABILITY GATES

1. **Asset and title**
   Instrument, coordinates, land claims plan
2. **Certified data**
   Expert audit and confirmatory drilling
3. **Pre feasibility**
   Viability range and development route
4. **Licensing window**
   Published criteria and rail term sheet
5. **Bankable study**
   Reserve, cost accuracy, ESIA and offtake
6. **Financial close**
   Conditions precedent and lender agreements

KEY INVESTMENT RISKS AND MITIGATION

Product quality and price discount

Bulk sample and buyer trials to verify the alumina discount. Use named offtakers and downside pricing.

Rail and port access

Secure a term sheet for 5.5 Mwt capacity, tariffs, train paths, loading slots, performance and lender step in rights.

Resource to reserve conversion

Independent resource audit, confirmatory drilling, geotechnics and an Ore Reserve declaration before senior debt.

Land, community and ESIA

Resolve claims before mobilisation. Complete a full seasonal baseline, resettlement framework and lender compliant ESIA.

Capital cost and schedule

Re baseline costs, include omitted scope, appoint independent engineers, and allow 18 to 24 months for construction.

PATH TO FIRST ORE

Q4 2026	2027	2028	2029	2030 to 2031
Secure asset	Build evidence	License and BFS	Financial close	Build and ship

CALL TO ACTION

Development partners, strategic investors, off mining financiers are invited to engage early, co fund preparation and position for the future licensing window.

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