

CONFIDENTIAL

MALI 2025: BEYOND THE HEADLINES

West Africa's Most Mispriced Investment Opportunity

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THE CENTRAL PARADOX

What Markets See vs. What Data Shows

WHAT MARKETS BELIEVE:

- Political transition and governance uncertainty following 2021-2023 military government
- Contract disputes with international miners creating hostile investment climate
- Persistent security concerns and regional instability
- Risk premiums at historical highs deterring capital flows

WHAT THE DATA ACTUALLY SHOWS:

- **52.5%** surge in state mining revenues (2024) [43]
- **5.0%** GDP growth projection (2025) [34, 58]
- **Two** world-class lithium mines now operational and shipping [24, 41]
- **Seven** new mining agreements signed under revised code (2025) [35]
- **Major operators expanding, not withdrawing:** B2Gold approved for underground expansion [11], Allied Gold implementing multi-phase growth [8], Resolute Mining maintaining full-year guidance [45]

❏ **THE BOTTOM LINE:** The 18-24 month perception gap between negative international headlines and positive operational reality represents the most significant arbitrage opportunity in African frontier markets today.

THE INVESTMENT CASE IN THREE NUMBERS

These Are Not Projections. These Are Operational Realities Today.

52.5%

State Mining Revenue Growth (2024)

Mining sector revenues reached \$1.4 billion in 2024, increasing 52.5% despite a reported decrease in overall gold production volumes. This proves the effectiveness of the new fiscal framework in capturing increased value for the state without requiring production growth. [43]

71M

Alliance of Sahel States Combined Population

Mali, Burkina Faso, and Niger have formed an integrated economic bloc with aligned policies, shared infrastructure goals, and exceptional combined resource endowment. This creates economies of scale transforming the investment equation. [68]

506K

Annual Tonnes Lithium Capacity at Goulamina

Africa's largest operational lithium mine with 23+ year mine life commenced spodumene concentrate exports in Q4 2025, positioning Mali within the strategic global battery supply chain at a critical inflection point. [24]

WHY PERCEPTION LAGS REALITY

Legacy Headlines Mask Fundamental Transformation

THE HEADLINES THAT DOMINATED INTERNATIONAL COVERAGE:

- **2020-2023:** Military transition period generating uncertainty narratives
- **2024:** Barrick Gold contract dispute amplified as representative of investment climate
- **Ongoing:** Regional security concerns and isolated insurgent incidents

THE STRUCTURAL CHANGES THAT WENT UNNOTICED:

- **August 2023:** New Mining Code adopted, replacing discretionary negotiation with codified, transparent framework [51]
- **November 2023:** Kidal recaptured by Malian Armed Forces, restoring government control to all regional capitals for first time since 2012 [27, 55]
- **September 2023:** Alliance of Sahel States established, creating regional economic integration and mutual defense coordination [26]
- **2024-2025:** Military modernization partnership with Russia delivers T-72 tanks, BTR armored vehicles, advanced ISR drones [10, 21, 22]
- **Q4 2025:** Lithium production commences at Goulamina and Bougouni, diversifying economy beyond gold [24, 41]

❏ **THE BOTTOM LINE:** International media focused on transitional political noise while ignoring permanent structural improvements in governance, security architecture, and economic framework.

THE ARBITRAGE OPPORTUNITY

A Measurable Market Inefficiency



From discretionary, opaque negotiation

To codified legal framework with transparent terms [51]



From limited territorial control, fragmented security

To restored sovereignty over all regional capitals [27, 55]



From single-commodity gold dependence

To structural diversification with operational lithium mines [24, 41]



From geopolitical isolation

To regional economic integration through 71M-person Alliance of Sahel States [26, 68]



From dependency on Western partnerships

To strategic diversification with Russia, China, and UAE [17, 28]

WHAT MARKETS MISSED: Institutional risk has materially decreased, not increased. The new framework provides greater predictability than the previous regime of discretionary decision-making.

- ☐ **THE OPPORTUNITY:** Deploy capital while perception remains 18-24 months behind operational reality. First-movers benefit from both operational returns and valuation re-rating as consensus catches up to ground truth.

THE NEW SECURITY PARADIGM

From Contested Territory to Restored Sovereignty

NOVEMBER 2023: THE KIDAL VICTORY

The recapture of Kidal by the Malian Armed Forces (FAMa) in November 2023 marked a decisive inflection point in Mali's security trajectory. For the first time since 2012, the government now exercises administrative authority over all regional capitals. [27, 55]

This was not an isolated tactical victory but the culmination of comprehensive military modernization and strategic realignment.

TERRITORIAL CONTROL RESTORATION:

- Government forces control 100% of regional capitals for first time in over a decade [27, 55]
- Commercial routes previously too dangerous for civilian traffic have reopened
- Displaced populations returning to areas of origin as security conditions improve [1]
- Mining and agricultural activities expanding into previously contested northern regions

THE MILITARY MODERNIZATION PROGRAM:

Russian Federation Strategic Partnership:

- T-72 main battle tanks delivered and operationalized [10, 21]
- BTR armored personnel carriers enhancing mobility [22, 38]
- Advanced ISR (intelligence, surveillance, reconnaissance) drones providing battlefield awareness [10]
- Modern small arms, ammunition, and tactical training [6]
- Russian military advisors providing operational support [6, 37]

Chinese Defense Cooperation:

- Equipment supply and tactical training programs
- Strategic partnership expanding beyond equipment to include intelligence cooperation

❏ **THE BOTTOM LINE:** The state has broken insurgent momentum, restored civil order in key areas, and secured critical infrastructure including mines, transport corridors, and administrative centers. Security risk has materially decreased from 2021-2023 baseline.

THE ALLIANCE OF SAHEL STATES MUTUAL DEFENSE ARCHITECTURE

Regional Coordination Multiplying Security Effectiveness

SEPTEMBER 2023: FORMATION OF THE AES

Mali, Burkina Faso, and Niger established the Alliance of Sahel States, creating a mutual defense pact with operational military coordination. This addresses a structural security vulnerability: insurgent groups exploiting porous borders to retreat across jurisdictions when facing pressure. [26, 32]

COORDINATED SECURITY OPERATIONS

- Intelligence sharing across three member states
- Joint military operations against cross-border insurgent movements
- Coordinated border security eliminating insurgent escape routes [20, 32]
- Unified command structures for regional threat response

STRATEGIC INDEPENDENCE AND REALIGNMENT

End of Operation Barkhane: Mali terminated reliance on French-led counterinsurgency operations in 2022-2023, enabling pursuit of independent security strategy aligned with national priorities [9, 31, 56]

New Superpower Partnerships: Strategic realignment created diversified partnerships with Russia and China, providing access to advanced military equipment, training, and tactical doctrine without Cold War-era dependency relationships [6, 10, 28, 37]

MEASURABLE SECURITY IMPROVEMENTS

- Significant reduction in attacks on economic infrastructure
- Reopening of northern commercial corridors
- Return of displaced populations to previously contested areas [1]
- Mining operations resuming exploration activities in northern regions

❏ **THE BOTTOM LINE:** The AES mutual defense framework creates operational coordination that individual states could not achieve alone. Regional security architecture is stronger than at any point in the past decade.

THE BARRICK CASE STUDY

Addressing the Elephant in the Room

WHAT INTERNATIONAL HEADLINES REPORTED:

- "Mali seizes Barrick Gold assets" [15, 23, 30]
- "Mining executives detained amid investment climate deterioration" [15]
- "Foreign capital at risk from arbitrary government action"

WHAT ACTUALLY HAPPENED:

A legacy contract dispute involving decades-old stability clauses negotiated under previous frameworks vs. application of new uniform Mining Code adopted in August 2023. [15, 23]

This was a contract interpretation dispute with legitimate legal arguments on both sides, not arbitrary expropriation.

THE CRITICAL DISTINCTION:

- Barrick's Loulo-Gounkoto complex operated under establishment conventions predating the 2023 Mining Code
- These specific stability clauses are not available to new operators under the 2023 framework
- The dispute centered on whether legacy agreements were grandfathered or superseded by new sovereign legislation
- All new agreements are concluded under clear, codified terms of the 2023 framework, eliminating this source of ambiguity

PARALLEL ACTIONS DEMONSTRATING ACTUAL POLICY:

While Barrick dispute dominated headlines, the government simultaneously:

- **B2Gold:** Approved underground expansion at Fekola in July 2025 [11]
- **Allied Gold:** Approved multi-phase expansion at Sadiola [8]
- **Resolute Mining:** Maintained operational continuity [45]
- **Ganfeng Lithium:** Commenced lithium production at Goulamina [24]
- **Seven new mining agreements:** Signed under revised code in 2025 [35, 18]

❑ **THE BOTTOM LINE:** Barrick represents tail risk from legacy contracts with unique provisions, not systemic risk for new capital deployed under the clear, transparent terms of the 2023 Mining Code. Operators engaging with the new framework have demonstrated successful partnership.

SOVEREIGN STABILITY THROUGH CODIFICATION

From Ambiguity to Predictable Partnership

THE 2023 MINING CODE: TRANSPARENT FRAMEWORK REPLACING DISCRETIONARY NEGOTIATION

The August 2023 Mining Code represents a fundamental philosophical shift: establishing uniform, non-negotiable terms that apply equally to all operators, past and future. While stemming from resource nationalism, its practical effect is to increase predictability for investors willing to engage on codified terms. [51]

	State and Local Participation (Up to 35%) 10% non-contributory free-carried interest for the state - Option for state to purchase additional 20% within first two years at fair market value (contributory) 5% stake for local private investors ensuring community participation [51]
	Codified Fiscal Terms - Transparent royalty structures applicable to all operators - Elimination of discretionary negotiation - Progressive fiscal framework capturing increased state revenue during high-price environments [51]
	Mandatory Local Content Requirements - Enforceable hiring and procurement preferences for Malian nationals - Infrastructure contribution to host communities - Skills transfer and training programs [51]
	Strategic Minerals Priority - Government priority in permit allocation for lithium, uranium, rare earths - SOREM (state mining entity) serves as designated partner for strategic mineral joint ventures [51, 61, 62]

IMPLEMENTATION EVIDENCE: THE CODE IS WORKING

Seven major exploitation and exploration agreements approved in 2025, encompassing key gold and lithium projects operated by Allied Gold, B2Gold, Resolute Mining, and Ganfeng Lithium. [35, 18]

State mining revenues increased 52.5% in 2024 to \$1.4 billion, proving fiscal framework effectiveness. [43]

 **THE BOTTOM LINE:** The code does not eliminate risk. It codifies risk in ways sophisticated operators can model, price, and manage. This represents profound improvement over discretionary frameworks where risks are unknowable until they materialize.

PILLAR III

ECONOMIC RESILIENCE DEFYING HEADLINES

A Booming Economy, Not One in Distress

MACROECONOMIC DASHBOARD: ROBUST GROWTH ACROSS SECTORS

5.0%

GDP Growth (2025)

Projected to average 5.0% through 2026-2027, significantly outpacing regional peers despite perceived instability. [34, 58]

\$1.4B

State Mining Revenues (+52.5%)

Sector revenues surged even as production volumes declined, demonstrating fiscal framework effectiveness. [43]

70K

Industrial Gold Production (kg, 2024)

Mali ranks among Africa's top five gold producers alongside South Africa, Ghana, and Tanzania. [14, 16, 39]

Agricultural Sector Strength:

- Among Africa's largest cotton producers with output forecast to increase significantly [48]
- Livestock contributing 14% of GDP [7]
- High-value exports including mangoes and shea butter [47, 53]

Services Sector Expansion:

Telecommunications and financial services growing rapidly, particularly mobile money penetration. [58]

THE ECONOMY PERFORMED DURING MAXIMUM PERCEIVED RISK:

The 2021-2023 political transition period that dominated negative headlines saw continued economic growth. Services sector expanded, agricultural production remained robust, and major mining operators maintained operations without disruption.

This demonstrates that Mali's economic fundamentals operate independently from political headlines.

 **THE BOTTOM LINE:** This is not an economy in distress or survival mode. This is an economy accelerating with diversified growth drivers resilient to single-sector volatility.

OPERATOR CONFIDENCE - FOLLOW THE MONEY

Sophisticated Operators Are Expanding, Not Withdrawing

Major publicly-traded mining companies face stringent fiduciary duties, regulatory scrutiny, and reputational risk. They cannot continue operations in genuinely unstable environments without substantial disclosure. Their actions in Mali tell a clear story: operations continue normally, and significant new capital is being deployed for expansion.



B2GOLD - FEKOLA COMPLEX

Operational Performance:

- Q2 2025 production exceeded expectations, positioning operation to meet full-year guidance [11]
- Fekola remains B2Gold's flagship asset, accounting for significant proportion of total company production
- Gold exports flowing through established channels without disruption

Capital Deployment:

- **Approved for underground expansion:** Government approval received July 2025 for Fekola Regional underground mine [11]
- **Major solar plant expansion:** Completed in Q1 2025 to reduce costs and improve sustainability [11]
- **Estimated capital commitment:** \$100M+ for underground development

Strategic Signal: B2Gold would not commit nine-figure capital to underground expansion if management anticipated near-term political or security risks jeopardizing returns.



ALLIED GOLD - SADIOLA MINE

Operational Performance:

- Q2 2025 production showed 7% growth quarter-over-quarter [8]
- Full-year guidance maintained with no force majeure declarations [8]
- Operations tracking to historical parameters

Capital Deployment:

- **Multi-phase expansion:** Designed to significantly boost output and extend mine life beyond 19 years [8]
- **Major solar and battery project:** Expected to substantially reduce power costs [69]
- **Estimated capital commitment:** \$150M+ for expansion and renewable energy infrastructure

Strategic Signal: 19-year mine life extension is not a decision made by management uncertain about medium-term stability.



RESOLUTE MINING - SYAMA COMPLEX

Operational Performance:

- H1 2025 results maintained full-year production and cost guidance [45]
- Syama generated operating cash flow exceeding \$200M in 2024 [45]
- Company continues to report Syama as core long-term asset

Capital Deployment:

- **Sulphide Conversion Project:** Major technological upgrade advancing on schedule [45]
- Continued investment in processing optimization and mine life extension

THE BOTTOM LINE: These are not the actions of companies expecting expropriation or systemic instability. These are the actions of companies planning for decades of profitable operations and deploying significant capital based on rigorous due diligence.

STRUCTURAL DIVERSIFICATION BEYOND GOLD

The Lithium Era Is Here (Not Prospective, Operational)

MALI'S GROWTH ENGINE IS MULTI-FACETED

The narrative of Mali as a single-commodity gold economy is outdated. Two world-class lithium operations are now shipping concentrate, positioning Mali as a strategic supplier in the global energy transition.

GOULAMINA LITHIUM PROJECT - OPERATIONAL Q4 2025

Project Fundamentals:

- Annual capacity: 506,000 tonnes spodumene concentrate
- Mine life: 23+ years
- Resource: 73.4 Mt at 1.45% Li2O (world-class deposit) [24]
- Operator: Ganfeng Lithium (Chinese lithium leader)

Strategic Significance:

- First spodumene concentrate exports commenced Q4 2025 [24]
- Africa's largest operational lithium mine by capacity
- Positions Mali within strategic global battery supply chain
- Provides Western countries seeking China supply chain diversification with alternative source



AGRICULTURAL POWERHOUSE

Cotton: Among Africa's largest producers, with significant processing and export volumes [48]

Livestock: Contributing 14% of GDP with substantial cattle, sheep, and goat populations [7]

High-Value Exports: Mangoes (top 10 global exporter), shea butter, and specialty products [47, 53]

BOUGOUNI LITHIUM PROJECT - OPERATIONAL Q4 2025

Project Fundamentals:

- Initial capacity: 125,000 tonnes spodumene concentrate
- Scalable to 230,000 tonnes in future expansion phases
- Operator: Mali Lithium Ltd (Kodal Minerals) [40, 41]

Combined Impact: Mali drove Africa's largest regional lithium supply growth in 2025, transforming from zero lithium production to major emerging supplier in a single year. [13]



RENEWABLE ENERGY EXPANSION

African Development Bank committed \$379.6M to "Desert to Power" initiative, deploying large-scale solar to reduce operational costs across all sectors. [4]

☐ **THE BOTTOM LINE:** Mali's growth is not dependent on gold price performance. Lithium is operational today (not a future promise), agriculture is robust, and renewable energy is reducing costs across the economy. Commodity price volatility in any single sector does not threaten the investment thesis.

GLOBAL SUPERPOWER STRATEGIC PARTNERSHIPS

Strategic Optionality Through Diversified Relationships

THE SHIFT FROM DEPENDENCY TO STRATEGIC CHOICE

Mali's pivot away from exclusive reliance on traditional Western partnerships has created competitive dynamics among global powers seeking resource access and strategic influence. This diversification provides Mali with negotiating leverage and access to capital, technology, and markets beyond traditional institutions.

RUSSIAN FEDERATION STRATEGIC PARTNERSHIP

Defense and Security:

- Comprehensive military modernization: T-72 tanks, BTR armored vehicles, ISR drones [10, 21, 22]
- Tactical training and operational advising from Russian military personnel [6, 37]
- Intelligence cooperation and counter-insurgency doctrine transfer
- Wagner Group (now Africa Corps) providing security consultation

Economic Cooperation:

- Mining sector technical assistance and equipment supply [28]
- Exploration rights and technical partnerships in multiple jurisdictions
- Energy sector cooperation and infrastructure development

Strategic Autonomy: Russia partnership enabled Mali to end dependency on Operation Barkhane (French-led counterinsurgency), allowing pursuit of independent security strategy aligned with national priorities. [9, 31, 56]

PEOPLE'S REPUBLIC OF CHINA STRATEGIC PARTNERSHIP

Infrastructure Development:

- Belt and Road Initiative investments in transport corridors
- Power generation projects and grid infrastructure
- Telecommunications network expansion

Mining Sector Leadership:

- Ganfeng Lithium operating world-class Goulamina lithium project [24]
- Chinese companies securing exploration licenses across strategic minerals
- Processing and refining technology transfer

Trade and Finance:

- Concessional financing for infrastructure projects
- Trade facilitation and export market access
- Technical cooperation across multiple sectors

UNITED ARAB EMIRATES TRADE HUB

Gold Trade: UAE has emerged as primary trading hub for Malian gold exports, with significant reserves held in UAE vaults. [17]

Capital Access: Gulf capital providing alternative project finance source beyond Western institutions and multilateral development banks.

Trade Diversification: UAE relationships demonstrate Mali's ability to access global markets through multiple corridors, reducing dependency on any single trade route or partner.

THE GEOPOLITICAL CONTEXT:

These partnerships are not isolated to Mali. The Alliance of Sahel States (Mali, Burkina Faso, Niger) collectively engages with Russia, China, and UAE, creating regional bloc leverage exceeding what individual states could achieve. [26, 68]

THE BOTTOM LINE: Mali possesses strategic optionality. It is not dependent on any single source of capital, technology, military cooperation, or market access. This competitive dynamic among global powers benefits project economics and reduces political risk associated with single-partner dependency.

THE ALLIANCE OF SAHEL STATES ECONOMIC BLOC

Mali Is the Anchor of an Emerging Commodities Superpower

A 71-MILLION-PERSON INTEGRATED MARKET

The Alliance of Sahel States, established September 2023, is evolving from mutual defense pact into foundation of integrated economic bloc. This creates economies of scale, unified regulatory frameworks, and shared infrastructure that individual states could not achieve alone. [26, 68]

COMBINED RESOURCE ENDOWMENT: A COMMODITIES SUPERPOWER

Gold Production:

- Mali: 70,000 kg annual production, Africa's top 5 producer [16, 39]
- Burkina Faso: Africa's top 5 producer [57]
- Combined: Two of Africa's largest gold producers in unified market

Strategic Minerals:

- **Lithium:** Mali operational (Goulamina 506,000 tonnes, Bougouni 125,000 tonnes capacity) [24, 40, 41]
- **Uranium:** Niger among world's leading suppliers, critical for global nuclear energy [29]
- **Rare Earths and Critical Minerals:** Substantial unexplored deposits across all three states

Hydrocarbons:

- Niger: Oil and gas reserves under active development [29]

Agricultural Commodities:

- All three states: Major cotton producers [48]
- Combined agricultural output creating regional food security

ALLIANCE OF SAHEL STATES: REGIONAL INTEGRATION GOALS



Unified Regulatory Framework

Aligned investment codes and sectoral regulations reducing compliance complexity for multi-country operations.



Labor Mobility

Potential for free movement of workers across member states increasing labor pool and enabling efficient resource allocation.



Shared Infrastructure Projects

Joint investments in roads, rail, power interconnections, and telecommunications benefiting all member states.



Monetary Union Ambitions

Stated goal to create independent monetary union, potentially moving away from CFA Franc system. While technically complex and requiring years to implement, strategic direction signals sovereignty aspirations. [54]

Current Reality: Mali remains within WAEMU and uses CFA Franc, providing monetary stability and currency convertibility. [49]

STRATEGIC IMPLICATIONS FOR INVESTORS

Market Scale: 71 million population creates domestic market scale justifying downstream processing, manufacturing, and value-addition that individual states lack.

Economies of Scale: Operations in Mali can access markets and labor across all three states, improving project economics.

Resource Concentration: AES combines exceptional mineral endowments with agricultural strength, creating diversified economic base resilient to single-commodity volatility.

Geopolitical Weight: Unified bloc carries greater geopolitical significance than individual states, attracting global power partnerships (Russia, China, UAE) providing capital and market access. [17, 28]

 **THE BOTTOM LINE:** Mali is not an isolated frontier market navigating instability. It is the economic anchor of an emerging 71-million-person economic bloc with combined resource endowment rivaling established producers. This regional context fundamentally changes the investment equation.

DEMOGRAPHICS AS DESTINY

A Guaranteed Growth Driver Independent of Policy or Commodity Cycles

THE DEMOGRAPHIC DIVIDEND

Mali possesses one of the world's most powerful demographic tailwinds. Regardless of commodity price fluctuations, political transitions, or policy changes, demographics alone guarantee sustained economic expansion for two decades.

CURRENT STATE (2025):

- **Population:** 25.2 million [52]
- **Youth Bulge:** 46% of population under age 15 [36, 52]
- **Working-Age Population:** 51% (ages 15-64) [36]
- **Median Age:** Extremely young population entering prime productive years

PROJECTED STATE (2043):

- **Population:** 41.5 million (+65% growth over 18 years) [36, 52]
- **Working-Age Population:** 57.4% (expanding from 51%) [36]
- **Labor Force:** Guaranteed expansion independent of commodity cycles

WHAT THIS DEMOGRAPHIC STRUCTURE GUARANTEES:

Expanding Labor Pool

- Mining operations, agricultural value chains, manufacturing, and services will have access to growing labor force
- Wage pressure moderated by labor supply growth
- Skills development programs today creating qualified workforce for tomorrow

Domestic Demand Growth

- Consumer market scaling from 25M to 41M over two decades
- Rising per-capita incomes translating demographic growth into purchasing power growth
- Urban migration creating concentrated consumer markets in major cities

Infrastructure Investment Necessity

- Demographic growth requires housing, schools, hospitals, telecommunications
- This creates guaranteed infrastructure investment demand regardless of mining sector performance

Economic Resilience

- Even if gold prices decline or lithium markets soften, domestic demand growth from demographics provides economic floor
- Diversification across sectors capturing demographic dividend (consumer goods, financial services, retail, real estate)

REGIONAL CONTEXT: Alliance of Sahel States combined population growing from 71M to over 100M by 2043, creating regional market scale rivaling major African economies. [68]

❑ **THE BOTTOM LINE:** Demographics create a two-decade structural growth story independent of commodity cycles or policy variables. This is the ultimate diversification: population-driven demand growth that no external shock can eliminate. Investors deploying capital today benefit from this entire demographic expansion cycle.

STRATEGIC INFRASTRUCTURE - THE ECONOMIC MULTIPLIER

Committed Capital Building the Arteries of Commerce

INFRASTRUCTURE AS DE-RISKING:

Infrastructure gaps in landlocked frontier markets often deter investment. Mali and its development partners are addressing this comprehensively through multi-billion-dollar committed investments, not aspirational plans.

\$219.8M	\$1.37B	\$379.6M
WORLD BANK: BAMAKO-DAKAR CORRIDOR UPGRADE	AFRICAN DEVELOPMENT BANK: INFRASTRUCTURE PORTFOLIO	DESERT TO POWER INITIATIVE: RENEWABLE ENERGY
The World Bank is funding comprehensive rehabilitation of the critical Bamako-Dakar transport corridor, Mali's primary trade route to Atlantic ports. [60]	The AfDB has committed \$1.37 billion to Mali's infrastructure across multiple sectors. [3]	AfDB's "Desert to Power" initiative is deploying large-scale solar power across Sahel region, with \$379.6M committed to Mali. [4]
Impact:	Power Generation and Transmission:	Impact:
• Reduced transport costs and transit times for mining exports • Enhanced agricultural market access to regional and export markets • Improved supply chain reliability for imported equipment and supplies	• Grid infrastructure expansion • Renewable energy integration • Rural electrification programs	• Reduced operational costs for mining (energy-intensive sector) • Grid reliability improvements • Energy security reducing dependency on imported fuels • Environmental sustainability meeting international standards
	Transport Networks:	
	• Road rehabilitation and new construction • Border crossing improvements • Regional connectivity with AES partners	
	Telecommunications:	
	• Fiber optic network expansion • Digital infrastructure supporting financial services and government systems	

ALTERNATIVE CORRIDOR DEVELOPMENT

Beyond Bamako-Dakar, Mali is developing alternative export routes:

- **Abidjan corridor** (Côte d'Ivoire): Alternative Atlantic access
- **Northern routes:** Potential Mediterranean access through Algeria
- **AES coordination:** Regional infrastructure harmonization

THE ECONOMIC MULTIPLIER EFFECT:

Infrastructure investments create positive feedback loops:

- Lower logistics costs → improved mining economics → more investment
- Enhanced connectivity → agricultural commercialization → rural income growth
- Reliable power → manufacturing viability → economic diversification
- Digital infrastructure → financial services expansion → capital access for SMEs

 **THE BOTTOM LINE:** Infrastructure is not a future promise contingent on aid flows. It is being built today with committed multilateral capital. These investments are foundational enablers making all other sectors more attractive and reducing operational risk.

THE "WHY NOW" IMPERATIVE

Three Catalysts Forcing Market Re-Rating

The perception gap between international consensus and operational reality will not persist indefinitely. Three concrete catalysts are converging to force market re-evaluation. First-movers deploying capital ahead of this re-rating will capture both operational returns and valuation expansion.



CATALYST 1: LITHIUM PRODUCTION IS OPERATIONAL (NOT PROSPECTIVE)

The Inflection: Goulamina and Bougouni commenced spodumene concentrate exports in Q4 2025. [24, 41]

This is not a feasibility study or construction timeline projection. This is actual production establishing Mali in the global energy transition supply chain.

Why This Forces Re-Rating:

- Diversification from gold mono-commodity narrative is now provable with export data
- Western governments seeking battery supply chain alternatives to China now have concrete Mali option
- Lithium sector analysts and investors will begin covering Mali, bringing new capital pools
- Export revenues and state taxes from lithium will appear in macroeconomic data, validating economic diversification thesis

Timing: Export volumes will scale through 2026, with production data forcing analyst re-evaluation in 6-12 months.



CATALYST 2: NEW MINING CODE PROVEN SUCCESSFUL

The Inflection: Seven new mining agreements signed under revised code in 2025. [35, 18] State mining revenues increased 52.5% to \$1.4 billion in 2024. [43]

Major operators (B2Gold, Allied Gold, Resolute) expanded operations rather than withdrawing capital.

Why This Forces Re-Rating:

- The "Mali is hostile to investment" narrative becomes untenable when contradicted by B2Gold's \$100M+ underground expansion approval [11]
- State revenue surge proves fiscal framework works without killing operations
- Mining industry publications and conferences will feature Mali success stories, changing industry consensus
- Company financial reports from B2Gold, Allied, Resolute will highlight Mali asset performance

Timing: Q4 2025 and Q1 2026 earnings calls will provide operational updates reinforcing positive narrative.



CATALYST 3: SECURITY CONSOLIDATION IS MEASURABLE

The Inflection: Government control restored to 100% of regional capitals. [27, 55] Displaced populations returning to areas of origin. [1] Military modernization through Russia and China partnerships delivering advanced capabilities. [10, 21, 22]

Why This Forces Re-Rating:

- Security improvements are observable through decreased incident frequency in economic centers
- Humanitarian organizations documenting population returns provide third-party validation [1]
- Mining companies reporting normal operations without security disruptions contradicts instability narrative
- As time passes without major attacks on economic infrastructure, risk premiums become harder to justify

Timing: 12-18 months of continued security consolidation will force insurance markets and risk ratings agencies to revise assessments.

THE PERCEPTION GAP IS CLOSING

A Finite Window for First-Movers

Each catalyst progressively narrows the gap between perception and reality. Markets price information slowly, creating a finite window for first-movers:



THE BOTTOM LINE: The window to deploy capital at current valuations reflecting outdated risk perception is finite and closing. Catalysts are not speculative future events; they are operational realities today that markets will progressively recognize. First-movers capturing this re-rating will generate significant alpha.

RISK FRAMEWORK AND MITIGATION

Acknowledging Residual Risks With Concrete Mitigation Strategies

We do not minimize risks. We identify them, quantify them, and outline specific mitigation approaches that sophisticated operators are successfully implementing.

	SECURITY RISK: LOCALIZED INSURGENT ACTIVITY Specific Risk: Ongoing insurgent presence in certain border regions, particularly near Niger and Burkina Faso borders. Potential for isolated attacks on soft targets. [20, 71] Mitigation Strategies: Enhanced State Capacity: • Military modernization through Russian and Chinese partnerships delivering T-72 tanks, BTR armored vehicles, advanced ISR drones [10, 21, 22] • Professional training and improved command-and-control capabilities [6, 37] • State now capable of protecting critical infrastructure at scale AES Regional Coordination: • Intelligence sharing and joint operations across Mali, Burkina Faso, Niger [26, 32] • Elimination of insurgent cross-border escape routes [20, 32] • Mutual defense commitments providing rapid response capability Site-Specific Protocols: • Mining operations implement multi-layered security (perimeter defense, access control, armed response) • Private security forces supplementing state protection • Advanced surveillance technology monitoring approaches Local Benefit-Sharing: • Mandatory local content requirements building community support [51] • Infrastructure investments in host communities creating stakeholder alignment • Employment and procurement preferences securing "social license to operate" Current Status: Security risk materially decreased from 2021-2023 baseline. Economic centers secure, mining operations continuing without major disruptions.
	POLITICAL RISK: TRANSITIONAL GOVERNMENT AND UNCERTAIN ELECTORAL TIMELINE Specific Risk: Current government is transitional with unclear timeline to elections. Potential for policy changes or governance disruptions during eventual political transition. [49, 59] Mitigation Strategies: Codified Legal Frameworks: • 2023 Mining Code provides transparent, uniform terms not dependent on individual relationships [51] • 2012 Investment Code establishes protections and incentives across sectors [50] • International arbitration clauses in agreements protecting against arbitrary action Alignment With Sovereign Goals: • Projects delivering tax revenues, employment, and local development align with any government's priorities • Economic success creates political incentives for continuity regardless of leadership Multilateral Engagement: • IMF and World Bank continue engagement, providing external validation and policy stability [34, 58] • African Development Bank infrastructure commitments signal confidence • Multilateral relationships constrain arbitrary policy shifts Current Status: Despite transitional political status, economic policy has been consistent and predictable. New mining code has been implemented successfully without arbitrary enforcement.

RISK FRAMEWORK AND MITIGATION (continued)

Acknowledging Residual Risks With Concrete Mitigation Strategies

	ECONOMIC RISK: COMMODITY PRICE VOLATILITY AND CLIMATE SHOCKS Specific Risk: Gold and lithium prices subject to global market volatility. Agricultural production vulnerable to drought and climate variability. [34, 48] Mitigation Strategies: Diversification Across Commodities: - Gold, lithium, and agriculture provide non-correlated revenue streams [24, 48] - Economic performance not dependent on single commodity price Renewable Energy Reducing Costs: - Large-scale solar deployment through Desert to Power reducing energy input costs [4] - Lower operational costs improving margins regardless of commodity prices WAEMU Monetary Stability: - CFA Franc membership providing low inflation and currency convertibility [49] - Regional monetary stability reducing macroeconomic volatility Climate Adaptation Programs: - World Bank and AfDB funding climate-resilient agricultural practices - Irrigation infrastructure reducing rain-dependence Current Status: Economy demonstrated resilience through 2021-2023 political transition. Diversification strategy operational with lithium production commencing.
	OPERATIONAL RISK: LANDLOCKED LOGISTICS AND INFRASTRUCTURE GAPS Specific Risk: Landlocked geography creates transport cost premiums. Infrastructure gaps (roads, power, telecommunications) increase operational complexity. [49, 59] Mitigation Strategies: World Bank Corridor Upgrades: \$219.8M Bamako-Dakar corridor rehabilitation reducing transport costs and transit times [60] - Funded and under implementation, not aspirational AfDB Infrastructure Portfolio: \$1.37B committed across power, transport, telecommunications [3] - Multi-year implementation timeline with tangible progress Alternative Corridor Development: - Abidjan route providing Atlantic access redundancy - Regional AES infrastructure harmonization [26] Strategic Location Planning: - Operations sited considering infrastructure access - Captive infrastructure (solar power, telecommunications) reducing grid dependency Current Status: Major mining operations functioning successfully despite infrastructure constraints. Committed multilateral funding addressing gaps systematically.

OVERALL RISK ASSESSMENT:

These risks are manageable and, in several cases, actively improving. The security architecture is stronger than any point in the past decade. The legal framework provides more predictability than previous discretionary regime. Infrastructure investments are funded and underway.

 **THE BOTTOM LINE:** Risk management is about understanding and pricing risk, not avoiding it entirely. Mali's risks are transparent, modelable, and comparable to other frontier markets where sophisticated operators succeed. The risk-return profile is compelling for appropriately capitalized investors with frontier market experience.

INVESTMENT RECOMMENDATION AND DEPLOYMENT VECTORS

Positioning for the Re-Rating

INVESTMENT RECOMMENDATION: INITIATE OR INCREASE EXPOSURE

Conviction Level: High

The gap between perception and reality is substantial, measurable, and supported by concrete operational evidence. Structural changes creating stability and growth are not speculative; they are operational today.

Time Sensitivity: The window to deploy capital at current valuations is finite. As lithium production scales, security improvements become undeniable, and state revenues continue surging, market consensus will shift. Capital deployed now benefits from both operational returns and multiple expansion as perception gap closes.

PRIMARY INVESTMENT VECTORS:

1. DIRECT MINING OPERATIONS

Gold Sector:

- Acquire equity stakes in operating mines (B2Gold, Allied Gold, Resolute) at valuations reflecting Mali risk premium
- Acquire or develop greenfield/brownfield gold projects under clear 2023 Mining Code framework [51]
- Partner with SOREM on strategic projects leveraging state entity relationships [61, 62]

Lithium Sector:

- Acquire equity exposure to Goulamina (Ganfeng) or Bougouni operations demonstrating production capability [24, 40]
- Secure exploration licenses in emerging lithium districts before junior miner competition intensifies
- Pursue processing and value-addition opportunities as concentrate exports establish base volumes

Strategic Minerals:

- Explore uranium, rare earths, critical minerals aligned with energy transition and defense needs
- Leverage Mali's strategic minerals designation and SOREM partnership opportunities [51, 61, 62]

2. INFRASTRUCTURE AND ENERGY

Renewable Energy:

- Utility-scale solar IPP development under Desert to Power framework with AfDB backing [4]
- Captive power projects serving mines leveraging Mali's exceptional solar resources
- Battery storage and grid integration as renewable penetration increases

Transport and Logistics:

- Logistics services and warehouse facilities along upgraded corridors [60]
- Cross-border transport operations capitalizing on improved road infrastructure
- Port handling and customs clearance in Dakar and Abidjan serving Mali trade

Telecommunications:

- Network expansion serving underserved areas and growing urban populations
- Data center and cloud services infrastructure
- Mobile financial services and digital payment platforms

3. AGRICULTURAL VALUE CHAINS

Processing and Manufacturing:

- Cotton ginning and textile manufacturing capturing value beyond raw fiber exports [48]
- Livestock processing (modern slaughterhouses, cold chain, leather processing) [7]
- Specialty crop processing (shea butter refinement, mango processing) [47, 53]

Input Supply:

- Agricultural inputs (seeds, fertilizers, equipment) distribution networks
- Storage facilities reducing post-harvest losses
- Agricultural finance products supporting farmer productivity

4. DOMESTIC CONSUMER MARKETS

Fast-Moving Consumer Goods:

- Consumer packaged goods targeting growing urban middle class
- Distribution networks serving urban centers
- Retail formats (modern grocery, chain stores) in major cities

Financial Services:

- Retail banking expansion to secondary cities and underserved segments
- Mobile money and digital banking leveraging high mobile penetration [59]
- Consumer lending (motorcycles, appliances, housing)
- Microfinance and SME finance supporting local business development

Real Estate:

- Affordable housing developments serving first-time buyers
- Middle-income housing and commercial real estate
- Construction materials manufacturing and distribution

 **THE BOTTOM LINE:** Multiple vectors exist for capital deployment, each benefiting from the same structural improvements in security, governance, and economic framework. Diversification across sectors captures demographic dividend while managing commodity price risk.

FINAL ASSESSMENT - THE CENTRAL THESIS

MALI 2025: THE ARBITRAGE OPPORTUNITY

THE DISCONNECT:

International perception has not caught up with on-the-ground operational reality, creating significant and time-sensitive mispricing.

THE EVIDENCE:

52.5%

surge in state mining revenues (2024), proving fiscal framework effectiveness [43]

2

world-class lithium mines operational and shipping (Q4 2025), diversifying beyond gold [24, 41]

5.0%

GDP growth amid regional headwinds, demonstrating economic resilience [34, 58]

7

new mining agreements signed under revised code (2025), proving framework success [35]

100%

government control of regional capitals restored for first time since 2012 [27, 55]

71M

person Alliance of Sahel States economic bloc providing regional scale [68]

Major international operators expanding: B2Gold underground expansion approved [11], Allied Gold multi-phase growth [8], Resolute maintaining operations [45]

Strategic superpower partnerships: Russia delivering military modernization (T-72 tanks, ISR drones) [10, 21, 22], China infrastructure and lithium operations [24], UAE trade hub [17]

THE FOUR STRUCTURAL PILLARS

01	02
Sovereign Stability Codified legal framework, restored territorial control, military modernization, AES mutual defense	Economic Resilience 5.0% GDP growth, surging state revenues, operator expansion, fiscal strength
03	04
Structural Diversification Operational lithium mines, robust agriculture, renewable energy deployment	Demographic Dividend Population growth from 25.2M to 41.5M by 2043, guaranteed domestic demand expansion [36, 52]

THE TIMING:

Three catalysts are converging to force market re-rating:

1. **Lithium production operational** (not prospective), establishing Mali in energy transition supply chain
2. **New mining code proven successful**, with major operators expanding under clear terms
3. **Security consolidation measurable**, with territorial control restored and military modernization operational

First-movers deploying capital ahead of consensus re-rating capture both operational returns and valuation expansion as perception converges with reality.

CONVICTION LEVEL: HIGH

The gap between perception and reality is substantial, measurable, and supported by verifiable data from credible sources. The structural changes creating stability and growth are not speculative projections; they are operational realities today demonstrated by major international operators expanding their commitments.

RISK ASSESSMENT: MANAGEABLE

Residual risks (security, political transition, infrastructure gaps, commodity volatility) are identifiable, transparent, and have concrete mitigation strategies successfully implemented by current operators. Risk-return profile is compelling for appropriately capitalized investors with frontier market experience.

TIME SENSITIVITY: FINITE WINDOW CLOSING

The window to deploy capital at current valuations reflecting outdated risk perception is limited. Each passing quarter brings additional operational evidence (lithium export data, mining sector performance, security track record) that will progressively force market re-evaluation. Capital deployed today benefits from the entire re-rating cycle.

RECOMMENDATION: STRONG BUY

Position Mali as core overweight allocation in African frontier portfolio. Initiate exposure across multiple vectors (mining, infrastructure, agriculture, consumer) to capture structural transformation while managing sector-specific risks.

For prospective investors: Conduct ground-level due diligence. The operational reality visible in Bamako, at mine sites, and in government meetings differs substantially from international media narratives. Capital deployed based on differentiated information and rigorous analysis will generate exceptional risk-adjusted returns.

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REFERENCE LIST

[See Appendix A of full thesis document for complete 72-source reference list]

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END OF PRESENTATION