Mick Davis and the team ready to take on Beny Steinmetz's former iron ore assets

The end to the epic legal battle between Conakry and Beny Steinmetz Group Resources (BSGR) over Guinea’s vast iron ore resource Simandou on February 25, was shortly followed by the news that Sir Mick Davis, chief executive and treasurer of the UK’s Conservative Party, will be overseeing the development of the smaller iron ore project Zogota. Davis is joined by a number of mining experts to start this new adventure.

Sector veterans

The main member of the new group of investors “presented by and including” Israeli billionaire Beny Steinmetz to operate Zogota is London-based firm Niron Metals. This company, which was incorporated on June 12, 2018 with the aim to explore iron projects, has three directors, including Davis.

Davis is a sector heavyweight. He previously headed Swiss group Xstrata, which merged with Anglo-Swiss trading house Glencore in 2013. He was also the financial director of Australian concern Billiton before its merger with BHP, and held senior positions with South Africa’s national power utility Eskom (JOL 682). He served as chairman of the Holocaust Memorial Commission of the United Kingdom and in February joined the board of British cybersecurity investment firm Haven Cyber Technologies.

Fellow Niron board member, British mining expert Varda Shine, built the bulk of her career climbing the ranks at De Beers, where she served as chief executive of the group’s trading arm, Diamond Trading Co. Shine is currently a board member of South African platinum mining giant Lonmin and of Israeli diamond producer Sarine Technologies (AMI 426). She also works for British coaching firm Merryck & Co.

A partner in nickel
The third Niron board member is Greek entrepreneur Marcos Camhis, who heads the Bahamas-based private equity firm Global Special Opportunities (GSOL), a shareholder of Niron. In 2015, Americano Nickel, a GSOL subsidiary, bought Glencore’s shares in the Ivorian nickel project Sipilou alongside IC Nickel, of which Marcus Struik, the former MD of BSGR subsidiary BSGR Metals & Mining Corp, was appointed an advisor (AMI 393).

Camhis founded Geneva-based investment firm Fos Asset Management and set up EFG Fund Solutions, a platform run by Switzerland’s EFG Bank that offers alternative investment solutions.

End to the battle of the century

The path was made clear for Niron to enter Guinea’s iron ore sector following the amicable settlement - as Africa Mining Intelligence foresaw (AMI 431) - of the ISCID arbitration launched by BSGR in 2014 against the Guinean state. Former French president Nicolas Sarkozy mediated months of talks between the two parties to find an end to their dispute (WAN 795). BSGR had been asking for several billion dollars in compensation after Alpha Conde’s government removed its rights to blocks 1 and 2 of the Simandou iron ore project and Zogota deposit. The two parties agreed to end the arbitration and drop all other outstanding procedures in a deal that sees BGSR walk away from Simandou. They will now seek to develop Zogota, which, like all iron ore projects in Guinea, will require heavy investment in evacuation infrastructure before it can be completed, even if production is exported out through Liberia.