



## TFSA Investor: Become a Billionaire by Buying Undervalued Mineral Assets

### Description

**Ivanhoe Mines** ([TSX:IVN](#)) is a mineral [exploration and development company](#). The company's financial performance is primarily affected by ongoing exploration and development activities being conducted at Ivanhoe's four material properties. Ivanhoe funds all exploration and development activities through debt and equity financing. The company has [four exciting mineral assets](#) which significantly increase the stock's intrinsic value.

### Key company assets

The Kamoa-Kakula project is a joint venture between Ivanhoe and Zijin Mining within the Central African Copperbelt in the Democratic Republic of Congo (DRC). Following the signing of an agreement with the DRC government in 2016 to transfer an additional 15% interest in the Kamoa-Kakula project to the government of the DRC, Ivanhoe Mines and Zijin Mining each hold an indirect 39.6% interest in the Kamoa-Kakula Project.

Crystal River holds an indirect 0.8% interest and the DRC government holds a direct 20% interest. The Kamoa-Kakula Project is independently ranked as the world's fourth largest copper deposit by international mining consultant Wood Mackenzie.

The Platreef project is the construction of a mine on the company's discovery of platinum, palladium, nickel, copper, gold and rhodium on the Northern Limb of South Africa's Bushveld Igneous Complex. Ivanhoe holds a interest in Platreef and the South African beneficiaries of a black economic empowerment structure have a combined 26% stake in the Platreef project.

The remaining 10% is owned by a Japanese consortium of trading companies. Warren Buffett recently purchased a large stake in these Japanese trading companies so it is possible that he sees significant value in all commodities.

The Kipushi mine is located on the Central African Copperbelt in the DRC's southern Haut-Katanga province, one of Africa's major mining hubs. The mine, which operated between 1924 and 1993, is approximately 30 kilometres southwest of the provincial capital, Lubumbashi, and less than one

kilometre from the DRC-Zambia border. Ivanhoe Mines holds a 68% interest in Kipushi and a state-owned mining company, Gécamines, holds the remaining 32% interest.

The Western Foreland Exploration project is group of 100% owned exploration licences. Much of it located in close proximity to the Kamoa-Kakula Project where Ivanhoe's DRC exploration group is targeting Kamoa-Kakula-style copper mineralization through a regional exploration and drilling program.

## Sound business strategy

The company's strategy is to build a global, commodity-diversified mining and exploration company. Ivanhoe's principal properties are located in Southern Africa. Ivanhoe Mines has focused on exploration and development of three principal projects within the Central African Copperbelt.

## Key objectives

Advancing the Kamoa-Kakula, Kipushi and Platreef projects to production are key near-term objectives for the company. Ivanhoe Mines is also focused on underground development and plant construction activities in preparation for large-scale mining activities.

Exciting new mining initiatives are underway at the company. At the Platreef project, this includes shaft sinking and lateral underground development to establish access to the ore body. At the Kipushi project, existing underground infrastructure has been refurbished to facilitate a return to production and the company is now focused on constructing the necessary surface infrastructure.

Exploration and development continue to play key roles in the company's business strategy, primarily at the Western Foreland Exploration project.

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