



DAVID PELHAM

NON-EXECUTIVE DIRECTOR



BY KARL WEST



It was on a year-long drive across Africa, with four university friends, that David Pelham caught the exploration bug.

The Cora Gold director had just finished university and was looking forward to having some fun and adventure while indulging his passion for travel.

A chance visit to a mine, in the middle of nowhere, opened his eyes to a potential future career that could satisfy his dual interests in geology and adventure.

"The thought of someone saying to me 'go out into all these wild areas' as part of my job was just fantastic," he recalled.

Pelham began his career in 1976 and has since worked as a mineral geologist all over the world. As well as Cora, he is currently also a non-executive director at AIM-listed Oriole Resources.

The first 20 years of his working life were with major companies, like Anglo American. He noted the mining industry has changed immeasurably since his early days.

In 1971, the Bretton Woods agreement ended. The 1944 agreement was created by all 44 Allied nations as a way to promote international economic growth after the Second World War. It promised that their central banks would maintain fixed exchange rates between their currencies and the dollar. It also pegged the price of gold at \$35 an ounce.

In the 27 years of the Bretton Woods agreement, there was no price incentive to explore for new gold mines, and many old and deep mines became uneconomic and closed down.

"When the gold price was unhitched from the US dollar in 1971 it rose by 20 times that value over the next decade," he said.



1986 – Nevada, USA
Investigating old gold mines in the historic Nevada Goldfields, with a view to potentially reopening them.

The end of the price cap had a huge impact on a slumbering gold exploration sector.

"All of a sudden all those old gold mines, which had been deemed uneconomical, were starting to be looked at again," he noted. "By the end of the 1970s, more and more junior companies started coming into the sector." Throughout the 1980s, the majors started to get out of early stage exploration, which forced exploration to become a "more irregular and cyclical occupation".

Pelham said the big guns were exiting the exploration sector because more of the top bosses were being recruited from professions like law, accountancy and general business management.

"So, they didn't have this automatic loyalty to the idea of exploration. From the mid-80s on, it's been like that." Junior exploration companies are innovative and nimble, but they have no producing mines and are not flush with the same financial backing as their larger counterparts, so they have to tap the market for all their funding.





"In the economic down cycles, that's difficult, so the whole scene became stop/start and episodic," he said. "Projects lose their momentum and intellectual capital in the downturns, because people move on to other jobs. Then they have to start all over again in the next up cycle. It's made it a much more challenging world to work in."

It's a world that Pelham has got to know all too well over the last 25 years, as he has looked for opportunities at 'good junior companies with good management', like Cora and Oriole.

West Africa has fast become the world's second biggest gold-producing market zone & saw the 3rd largest inflow of exploration expenditure globally in 2020 as the mining industry meets growing global demand for EV metals.

"Cora Gold, as a listed entity, came out of a merger of Hummingbird Resources non-core, but highly prospective permits with a private explorer with its own portfolio of permits in Mali and Senegal called Cora Gold," he said.

Hummingbird remains a large shareholder, with more than 11%, alongside Lord Farmer, founder of the Red Kite Group of hedge funds, who holds 14.3%. Cora's biggest investor is Brookstone Business, a financial group with links to the Quirk family, with more than 30% Paul Quirk is a non-executive director of Cora Gold.



1986 – Nevada, USA

Investigating an old gold mine in the historic Nevada Goldfields, with a view to potentially reopening it.
The goldfields of Nevada have been the main source of US gold and have experienced a number of gold booms since the early 1900s.

Pelham said other investors can 'take a lot of comfort' from having these big names on the shareholder register, because 'these are very sophisticated and successful investors'.

"Cora has good management, projects and financial backing. All they have to do now is go out and prove these projects are going to become mines," he said.

The Sanankoro Project, in southern Mali, is the most advanced of Cora's portfolio of prospects.

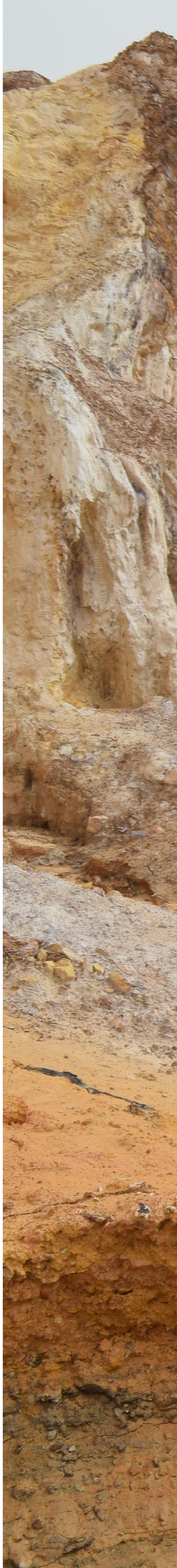
"We want to get the value in that crystallised and then we can be partially self-funding," he noted.

Pelham said the team is on track to complete a feasibility study of the project by the end of this year, with a view to starting mine development next year.

It has come at a good time in the cycle, with the gold price surging to \$2,000 an ounce last year on the back of Covid-related economic turmoil. Gold is seen by investors as a safe haven to park their cash during uncertain economic times.

"All the base metals, and oil, generally respond to economic growth and the consequent boom in construction and building that accompanies it – as we have seen in China over the last few decades," he said. "Gold is different. It's generally a lover of bad news. That's why we've seen the gold price rise over the last year, because of the problems with Covid and what that has done to economies around the world.

"It seems likely that the gold price is going to stay high. I don't think we are ever going to run out of gold. It will just be increasingly difficult to get to and expensive to find."





Pelham appears to, again, be mining a rich seam with Cora. But, his glittering career in gold exploration could have been so different, he noted. In his first job at former Canadian major, Falconbridge Explorations, he worked on copper, diamond and uranium. It wasn't until his second job, in 1978, when he joined Anglo American in South Africa as a staff geologist that he began to work on gold exploration and evaluation.

"It was just luck. Anglo just happened to have a large gold division and I worked there for six years," he said. "As a geologist, it's easy to get pigeon holed and you get a lot more work and job offers because of your knowledge in a particular commodity or area that you are working in."



2007 South Africa
Visit to the Kloof Gold Mine with other directors of GRST – here 2700m below surface in the VCR Stopes.

Pelham always had an interest in the natural world, even as a young boy growing up in India.

"I got into it because I got really into geography. I was brought up in India and always loved the physical geography of the place, plus I'm into maps and the idea of travel."

The Indian influence looms large in Pelham's family history. His mother is from an Anglo-German-Swedish family, with five generations of history of working in India – mainly as missionaries and engineers, who helped build the Indian railways, one of the largest railway networks in the world. His father was in the army, based in India, and went back there after the Second World War as a missionary. Pelham is the second of seven children – five boys and two girls. They grew up on the East coast of India, in a tropical environment, and went to boarding school in the south of the country. He remembers those formative years with great fondness.

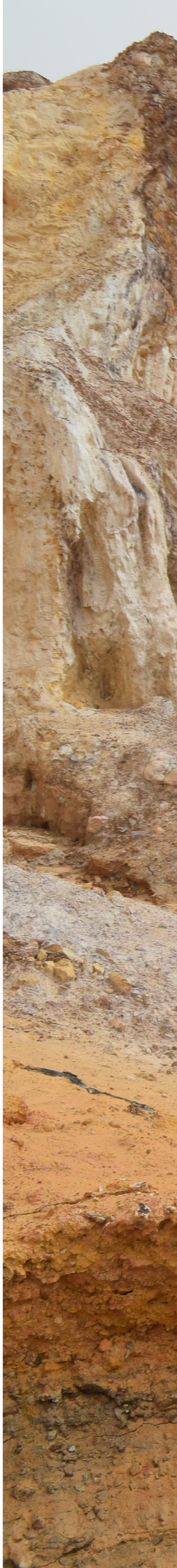
"My childhood gave me the thirst to see the world and travel," he said. "I think our Indian childhood made us siblings really close, particularly as we went to boarding school. We really depended on each other. They are still my best friends."

Pelham was 'a diligent student' and from an early age he enjoyed geography and history.

These interests were furthered at university – he studied a joint Geography and Geology degree at a part of the University of London that was based in Derby. He followed this with a Masters Degree in Minerals Exploration at Rhodes University in South Africa.

Looking back at his career, Pelham is now grateful for some of the great mentors he had, particularly during his early days. It's why he is so passionate about mentoring, through Exploration and Development Associates (EDA), an informal organisation he founded in 2003 to assist the development of young geologists in the industry.

"I was lucky enough to have two supervisors, who were great mentors. Ian Ward, a boss on a project I worked on in South Africa, and Pat McMagh, one of my managers at Anglo American. He (McMagh) was a tremendously nice, father figure type of boss. He always had time to explain things to me, and helped mentor me and the other young geologists.





"I help them to find jobs, or show them the best place to find them, and help them in other ways" he said.

When he's not flying off to remote parts of the world, or on Zoom calls with fellow directors, Pelham enjoys spending time with his family at home in Colwyn Bay, north Wales. His son, 38, is a partner at a law firm in Manchester, and his daughter, 35, is a teacher in Chester.



2010 Liberia

As Hummingbird's Technical Director I oversaw the discovery and early evaluation of the 4.2 Moz Dugbe gold deposit. Here we were hosting a visit from the International Finance Corps (IFC), part of the World Bank.

"We like hikes and walking in the mountains," he said.

Despite leading a jet-set life, his passion for travel remains undimmed. These days, he's not driving around remote parts of Africa with friends and has even come to appreciate the lower octane attractions of a beach or City break.

However, he conceded: "My wife and I still enjoy an adventure holiday though."

David Pelham:

Favourite Book - Travels and Adventure in South East Africa by F.C. Selous

Favourite Film - High Society or Out of Africa

Favourite Music - Rock music from the 60s and 70s - The Rolling Stones, Pink Floyd and Creedence Clearwater Revival.

About the journalist

Karl West is a Business Journalist and was previously a Senior Business Correspondent for The Sunday Times and City News Editor of The Daily Mail.

