Yabiso, meaning “It’s ours” in Lingala, is the new vehicle inspired by Dan Gertler’s vision to enable for the first time the people of the DRC to directly participate in the mineral wealth of the country;

Yabiso will own 30% of the Metalkol Royalty Stream - shares in Yabiso will then be made available to the people of the DRC to buy in 2021, priced at the same value at which Multree SASU, a company related to the Gertler Family Trust, first acquired the royalty stream, making this a true partnership;

Yabiso is expected to be up and running and fully licensed in the first quarter of 2021, with first dividends paid to investors in the second quarter of that year;

Yabiso will be managed in a transparent way by a professional management and an independent board and fully audited by independent auditors.

January 4, 2021- Kinshasa, DRC: Dan Gertler announced his intention to launch an innovative, never tried before, way for the people of the DRC to directly participate in the mineral wealth of the country on 16th November. Since then, Dan Gertler and his team have been working to make his vision a reality. Today he is delighted to be able to provide an update and announce the launch of Yabiso SA (“Yabiso”).

Yabiso, which means “it’s ours” in Lingala, will be a “Société Anonyme faisant appel public à l’épargne”, regulated by the Congolese authorities. 30% of the royalty stream from Metalkol project (acquired from Gecamines in June 2017 for a total of $83 million) will be transferred into this vehicle at cost, making it a true partnership.

After the mechanism and governance has been put in place according to the Congolese regulations, any DRC national who wants to participate in the future royalty stream acquired by Yabiso will be able to acquire shares in Yabiso, from a minimum investment of €50 up to €10,000. Applicants will be subject to a rigorous screening process, to restrict participation to individual Congolese citizens - it is not open to corporates, politicians or regulators.

Dan Gertler recognises that for many Congolese, this kind of investment will be beyond their means even at low levels. So he is also launching a mechanism that will allow the investors to benefit from an interest-free loan (“the Loan”) of up to 100% of the value of the shares issued. The Loan will be repayable by Yabiso from the royalty stream, with a 5-year grace period.

The aim is to have the regulatory agreements in place by the end of first quarter 2021, whereupon registration will be opened. The aim is for royalties to be paid in the second quarter, or as soon as Yabiso gets formal regulatory approval.

Dan Gertler has long considered how he can increase individual participation into the mining sector by the people of the DRC. As someone who has spent most of his time in the DRC for the last 20 years, he recognises that large investments generate significant wealth for the DRC in the form of taxes, royalties, employment and other benefits from the resource industry, but rarely directly benefit the DRC public. Over the past 10 years, Dan Gertler has looked at various ways to increase individual participation in the sector. However, regrettably the options have remained extremely limited. As the Metalkol royalty stream looks set to start paying cash royalties he has seen an opportunity to implement his vision and has decided to take proactive action.

By doing this, Dan Gertler is making available a totally new opportunity for the Congolese public to participate directly in a mining operation. This is an opportunity that has never existed before. This is more than a philanthropic gesture. It is an attempt by Dan Gertler to revolutionise the resources industry in the DRC. He hopes this will be the beginning a new era of participatory investments in the DRC mining sector. There remain a large number of challenges to overcome to complete the Yabiso registration and clear the various regulatory hurdles, but Dan Gertler and his team are working hard to address these over the next few weeks and months.

Yabiso will be fully transparent, professionally managed, and independently governed, regulated by the OHADA laws as well as the Congolese authorities, with an independent board, and independent annual audits put in place. A Yabiso website and twitter feed have been launched with further updates and more announcements will be made in due course.
Dan Gertler said:

“I am mindful of the criticism that the benefits of the mining industry in the DRC can escape those for whom the benefits should be most clear. With no DRC stock market, and no ability to co-invest in any operation, the options for the everyday Congolese are extremely limited. This isn't right. I am taking action now and hope that by doing this I will begin a new approach to investing in the DRC. It allows everyday Congolese to participate directly in what we all hope will be a successful and innovative investment project. Investing in the DRC is risky. The acquisition of the Metalkol royalty stream in 2017 was itself risky. But thanks to the hard work of the teams on the ground, and a more favourable market environment, the mine is now in a position to begin paying royalties, now it has completed the advance payment agreement to Gecamines. I am honoured that Yabiso will present the first opportunity for Congolese to directly participate in the mineral wealth of the DRC. I recognise there are still lots of questions about this new opportunity and as we get closer to formal launch, I am confident we will be able to answer them.”

Background to Dan Gertler’s acquisition of the Metalkol royalty stream

Dan Gertler (through a DRC registered company called Multree Ltd.) bought Gecamines royalty stream from the Metalkol copper and cobalt tailings project for $83 million in July 2017 (including a $28 million advance payment made by Metalkol to Gecamines prior to the purchase by Multree). The royalty was valued on a standard NPV-based calculation in line with industry standards.

Multree has received no royalties at all since the stream was acquired in 2017: all royalties calculated were used to reimburse the advances made and no payment is expected before 2021.

Please note that companies are not owned by Dan Gertler, but rather are held by a trust. The trust’s structure was built for the benefit of Mr. Gertler family. Mr. Gertler role with respect to the trust is as a consultant. Accordingly, Mr. Gertler cannot unilaterally control the actions of the companies, but rather is only able to advise them on the appropriate course of action. Consequently, any statements referring to steps Mr. Gertler have taken, or will take, should be understood in the context of this trust structure, his capacity as a consultant. For example, any statements which make reference to “Mr. Gertler companies” should be understood to refer to the companies held by the trust that he advises.

Contacts:
marketing@yabiso.cd
www.yabiso.cd

@YabisoRdc