Mining valuation is a complex matter. There are inherent risks in the specific nature of mining industry. Apart from the usual Financing Risk in the case of mining producers and Discovery Risk in the case of pure exploration companies, there are global factors such as price volatility, changes demand supply dynamics, ongoing changes in operating and capital cost structures etc.

The Mines and Minerals Practice of RBSA has carried out Valuation, Due Diligence and Financial Analysis of Mines and deposits representing more than 90% Copper Reserves, more than 90% Zinc Reserves and more than 85% Lead Reserves of India.

Methods of Mining Valuation:

Various methods are available to estimate the value of mine which requires critical understanding of technicality of mines and minerals along with sound understanding of mining industry dynamics and financial skills in valuation. Generally, market approach, cost approach and income approach are used in estimating the value of mines.

The market approaches, including:

- US$ per unit of commodity

The cost approaches, including:

- Multiples of exploration expenditure.

Income approaches, including:

- Discounted cash flow (DCF) techniques
- Option (derivative) pricing techniques.
Expertise of RBSA in Mining Valuation:

- Valuation of Mines and Minerals Reserves
- Valuation of fully developed and operational mines
- Valuation of partly explored deposits and exploration properties
- Valuation of major and minor minerals, metallic (Ferrous & Non Ferrous) and nonmetallic minerals, fuel minerals
- Valuation of open pit as well as underground mines
- Due Diligence, Mines Valuation, Mineral Reserve Valuation and Advisory
- Mining Feasibility Studies
- Mineral Reserve Certifications
- Review of Operations and Mining Leases
- Technical Opinions

Credentials:

Following are select credentials in Mining Valuation:

- Valuation of all Assets including Mines, Smelters, Townships, Dams etc. of Hindustan Copper Limited for the Government of India’s Disinvestment programme.
- Valuation of all Fixed Assets of Hindustan Zinc Ltd. including Mines, Mineral Reserves, Industrial Assts, Smelters, Residential Townships etc. spread across 14 states on behalf of Disinvestment Ministry, Government of India for Disinvestment Purpose.
- Valuation of Limestone Mines for Sagar Cements & Amareshwari Cement to determine share swap ratio for Merger purposes.
- Valuation of Equity, Mines, Tangible & Intangible Assets of IDCOL Ferro Chrome & Alloys Ltd. and IDCOL Kalinga Iron Works Ltd.

RBSA Services

- Loss Assessment Valuation
- ESOP Valuation
- Valuation Of Good Will
- Valuation For Insurance
• Transaction Structurings
• Plant Valuation
• Impairment Of Assets
• IFRS Valuation
• Fairness Opinion
• Mining Valuation

Valuation

• Business Valuation
• Valuation of Brands, Intangible Assets & Intellectual Property
• Valuation of Financial Securities, Instruments & Derivatives
• Valuation of Industrial Assets, Plant & Machinery
• Valuation of Real Estate
• Valuation of Infrastructure Assets & Specialized Assets
• Purchase Price Allocations for Mergers & Acquisitions
• Impairment Studies for Tangible Assets
• Impairment Studies for Intangible Assets & Goodwill
• Mines, Mineral Advisory and Valuation
• Valuation of ESOPs and Sweat Equity
• Valuation for Tax, Transfer Pricing and Company Law Matters
• Fairness Opinions

Investment Banking

• Mergers & Acquisitions
• Transaction Structuring & Advisory
• Due Diligence – Financial, Tax and Business
• Fairness Opinion
• Corporate Finance Advisory
• Corporate Restructuring, Business Reorganization
• Partner Search and Joint Ventures

Advisory Services

Financial Advisory for Dispute & Litigation

• Valuation & Financial Advisory Services
• Loss Assessment, Damages & Loss of Profit Analysis
• Independent Expert testimony
• Anti-trust & Competition Advisory
• Post-Acquisition Disputes, Joint Venture & Shareholder Disputes
• Civil & Construction Disputes, Real Estate Disputes
• Environment Damage Assessment
• Intellectual Property Rights Dispute
• Forensic Audit

**Strategic & Risk Advisory Services**
• Techno Economic Feasibility Studies
• Economic Viability & Financial Appraisal
• Business Plan Preparation

**Real Estate Advisory Services**
• Financial Modeling and Highest & Best Use Studies
• Investment Related Due-Diligence Exercises

**Infrastructure Advisory Services**
• Bid Advisory and Bid Process Management
• Preparation of Information Memorandums
• Preparation of Detailed Project Reports

**Technical Assurance Services**
• Technical Due Diligence Reviews for Mergers & Acquisition
• Lender’s & Investor’s Engineer Services
• Independent Engineer’s Services
• Technical Opinion and Audits
• Chartered Engineer’s Opinion & Certification
• Project Cost Investigations & Forensic Advisory
• Project Appraisal and Monitoring

**International Reach**

- Australia
- Bahrain
- China
- Europe
- Germany