

NATURAL RESOURCE SPECIALISTS

Finance Outsourcing
Business Advisory
Fundraising



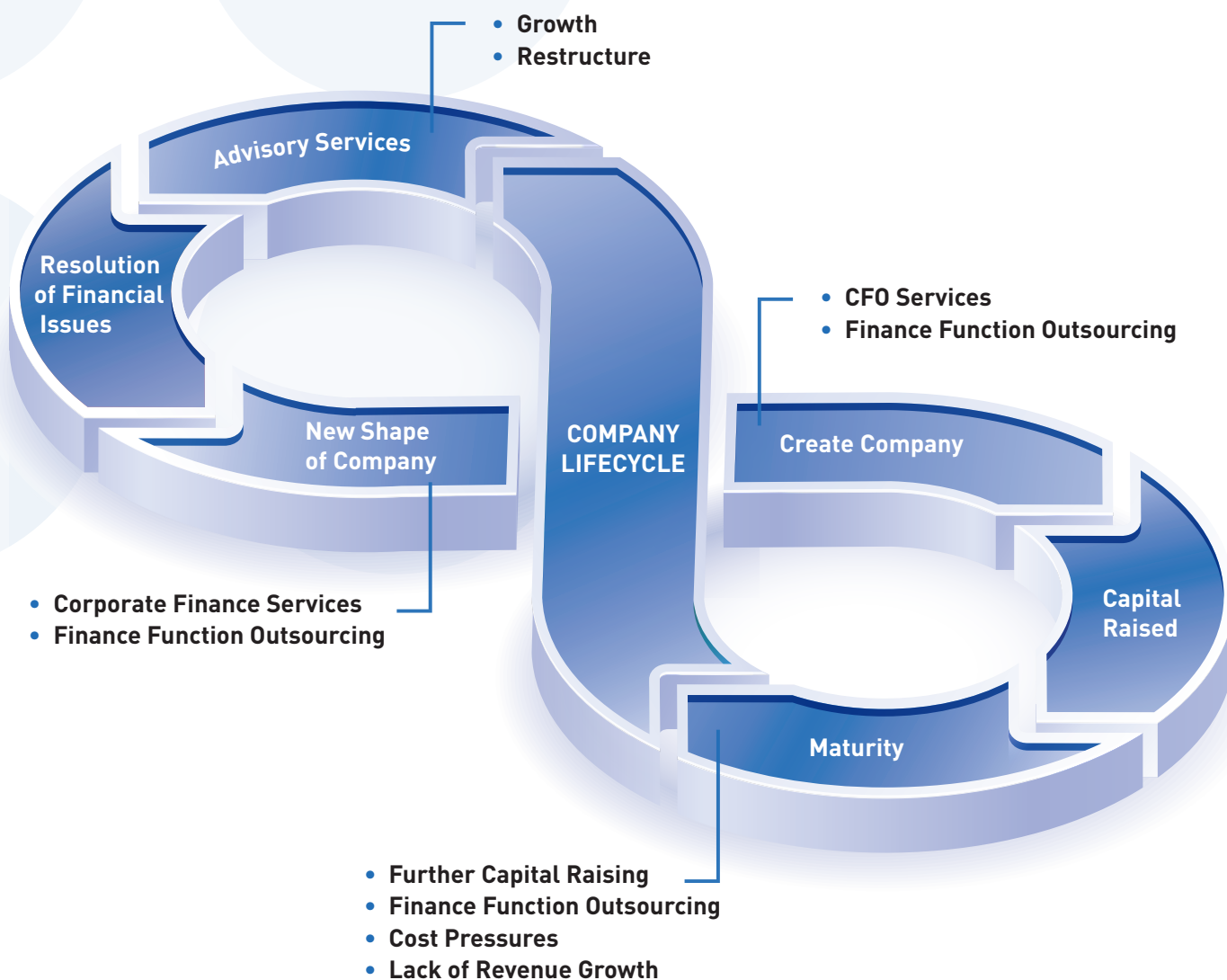
SKS Business Services is a full-service group of chartered accountants who have strong experience in the natural resource sector. Together with SKSi, a sister company within the group, they provide integrated support to entities in exploration and growth phases as well as those requiring restructuring to assist cash flow.

Key skills are:

- Fundraising assistance including Financial Modelling
- Restructuring and Business Advisory services
- Finance function outsourcing with savings up to 50% over internal resource costs*
- Providing interim Chief Financial Officers

*SKS runs the outsourced finance function for several global mining entities including Rambler Metals & Mining Plc, Consolidated Nickel Mines Ltd, Mandalay Resources and Black Dragon Gold.

This diagram provides an oversight into how SKS can support a business from start-up throughout its lifecycle:



SKS have significant experience in the natural resources sector, have assisted companies at all stages of their lifecycle, including dealing with some challenging financial issues that threatened the investments in those companies. Below are examples of the assistance SKS have provided in the natural resources sector.



The Client Issue

In Zambia we were engaged by Consolidated Nickel Mines Ltd, the UK Shareholding Company of a mining operation in Zambia to investigate the overall debt position and consider the financial management controls of the company. Shareholders had concerns about systemic financial failings on site.

Our Solution

At short notice, our investigation team attended site to execute a thorough review of the financial operation. The level of mismanagement uncovered by SKSi resulted in preparing and delivering plans for the management of significant debt levels. Reporting to the shareholders on the issues uncovered resulted in taking control of day-to-day financial management from the incumbent team.

The Outcome

Working with a new Senior Management Team, SKSi revised and implement new financial Standard Operating Procedures and ensured proper controls were instigated, so allowing for the continued support from investors enabling a financial restructuring which provided long-term financial stability for the mine.



The Client Issue

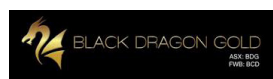
Rambler Metals and Mining Plc is a UK stock market listed company with a copper mining operation in Newfoundland. The impact of Covid-19 on physical mining operations and a subsequent fall in the price of copper due to the economic slow-down caused by the pandemic had rendered the company in a difficult financial position. At the time of our appointment the company had creditors of US\$18 million.

Our Solution

We were appointed to investigate and advise on a restructuring of the company debt to meet the requirements of the funders and protect the existing investment of the company shareholders. Having reviewed the company finances alongside the CFO we proposed a restructuring of the existing debt and successfully negotiated terms with the majority of the creditors which brought financial stability and enabled a subsequent fundraising.

The Outcome

The company was able to secure a US\$13m refinancing package without the need for a formal insolvency process that would have significantly impacted on the investment held and secured the long-term future of the company.



The Client Issue

Black Dragon operates across 3 geographical locations (Australia, Europe & Canada). The departure of their CFO led to the appointment of SKS to assist with a review of the accounting processes and the transition to the current reporting set up. The initial phase was quite challenging due to the reporting requirements, including quarterly cash flow, half-year reporting, and restatement of the FY19 Annual Report to both the ASX and Sedar.

The Outcome

All reports and financial statements were prepared ahead of schedule and within budget.

“With the SKS team assisting me, the transition went extremely well, and we now have a professional setup. As a result, we have streamlined our reporting function which has improved our internal decision-making. In addition, we are saving nearly 40% compared to our previous finance team costs. I could not have managed nor taken on this new role without SKS and as a result, I can highly recommend them for your requirements”.

Gabriel Chiappini, CFO & Company Secretary.

THE NATURAL RESOURCES TEAM



Sanjay Swarup - CEO & Founder, SKS Business Services

Sanjay Swarup, CEO & Founder (ACA), has over 27 years' experience of accounting and advisory experience. He is a chartered accountant and MBA from Cranfield School of Management. He has in depth experience in the sector starting from working at BP Exploration and Production (E&P) where he prepared plans (capex, revenue and costs) for \$8bn of capital spend on capital programmes → \$100m each and monitored implementation.

He has acted as a CFO for companies in the sector, and is currently CFO for Leading Edge Materials, a Canadian based exploration company. He has experience across a range of businesses from start-ups to large public companies.

Sanjay founded SKS Business Services in 2008, and it is now an £18m turnover group of Chartered Accountants with 30 offices across with 220 staff in the UK, and 400 staff in our back offices in India. A full range of services are offered, including Audit, Tax, and finance function outsourcing.

Contact Sanjay: sks@sksbusinessservices.com



Carrie James - Managing Director, SKSi

Carrie James is the Managing Director of SKSi and her role includes leading the executive board and shaping the practice's strategy to meet the growth aspirations of the practice and team. She is the immediate Past President of the Insolvency Practitioners Association, the UK's only dedicated Insolvency Regulator and currently sits on the board. Carrie enjoys working with the variety of stakeholders to find the best solutions for all and has developed a niche working in crossborder restructuring in the Natural Resources Field.

She enjoys complex reconstruction and administrations. Recent successes include the case studies above and the sale of a £6 million automotive business that will lead to a substantial return to creditors.

Contact Carrie: carrie.james@sksi.co.uk



Mark Phillips - Member of the Executive Board, SKSi

Mark Phillips is a member of the Executive Board of SKSi and a licensed insolvency practitioner. Mark has worked in professional practice since 1988 and has advised in a broad swathe of industries and has dealt with matters both in the UK and offshore, including property, construction, food wholesale, online gambling and engineering.

Contact Mark: mark.phillips@sksi.co.uk





Martyn Perryman - Business Development Director


Martyn Perryman is the Business development director for the Natural Resource sector. He has over 20 years professional services experience including working at EY and KPMG. If you wish to learn more about our work in this sector, please contact Martyn Perryman by telephone +44 7716 642122 or email below.


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