STRATEGIC INTELLIGENCE DAILY

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Executive Assessment

Across Africa, momentum is shifting from project announcements toward execution and system integration. In Libya, the combination of new gas discoveries and contained pipeline disruptions underscores a transition phase where expansion depends on operational continuity. Egypt's intensified drilling campaign and Angola's financing-backed asset restructuring reflect a broader push to convert upstream potential into sustained output and export flows.

At the same time, resource governance is becoming more assertive and selective. Export restrictions in Zimbabwe and potential quotas in Guinea signal tighter state control over strategic minerals, while exploration activity in Botswana and Zambia highlights competition to secure future supply positions. Parallel to this, countries such as Nigeria are extending their influence through cross-border industrial linkages and infrastructure upgrades, reinforcing regional economic connectivity.

Short-term dynamics will be shaped by execution capacity and regulatory consistency. Legal disputes, policy shifts, and infrastructure constraints continue to influence timelines and investor confidence across multiple regions. The near-term outlook suggests that markets with stronger institutional coordination and financing structures will be better positioned to translate resource potential into stable production and revenue streams.

FOCUS COUNTRIES AND SUBJECTS

Libya

Eni discovered two new offshore gas fields exceeding 1 trillion cubic meters, reinforcing Libya's position in Mediterranean energy supply and enabling rapid integration into existing infrastructure for both domestic use and exports to Italy. At the same time, the National Oil Corporation confirmed that a fire caused by a valve leak on the Sharara pipeline was contained without major disruption, highlighting improved crisis response capacity within a still fragile operational environment.

Egypt

Egypt accelerated offshore exploration by deploying the seventh-generation Valaris DS-12 drilling vessel and launching a program targeting more than 100 oil and gas wells in 2026. Drilling activity led by ADNOC and BP joint venture Arkios Energy at the Atoll West and Nofret fields forms part of a broader five-year strategy to double production and expand export capacity.

The scale and repetition of exploration efforts indicate a coordinated upstream expansion strategy, where increased drilling intensity is directly linked to long-term production growth and regional energy positioning.

Angola

Afreximbank provided a $1.75 billion syndicated loan to Sonangol, supporting investment and operational capacity across Angola's oil and gas sector. At the same time, Afentra, Maurel & Prom, and Sonangol agreed to acquire stakes in offshore Blocks 3/05 and 3/05A, reshaping ownership structures and enabling redevelopment of mature assets.

Financing flows and asset consolidation are occurring simultaneously, indicating a transition phase where capital injection and portfolio restructuring are aligned to sustain production and extend asset lifecycles.

South Africa

The launch of Project CLASSS under AMD aims to integrate defense companies across cyber, land, air, sea, and space domains through shared technology and cost-risk structures, strengthening domestic industrial capacity. In parallel, financial close was reached for the 620 MW Notsi solar project, which will supply 1.5 TWh annually to the private sector over 20 years.

At the same time, Vitol-linked interest in acquiring Shell's network of around 600 fuel stations signals potential consolidation in the downstream market. Together, defense-industrial coordination, renewable expansion, and downstream restructuring point to a broader reconfiguration of South Africa's industrial and energy landscape.

Zimbabwe

Zimbabwe intensified engagement with investors and financial institutions to expand its aquaculture sector, targeting increased tilapia production and capacity growth. At the same time, China warned its companies to exercise caution following Zimbabwe's suspension of raw mineral and lithium exports, reflecting rising policy uncertainty in the mining sector.

Agricultural diversification efforts are unfolding alongside tightening resource controls, indicating a dual-track strategy where the government seeks new growth sectors while asserting greater authority over critical minerals.

Nigeria

Dangote Industries and China's GCL Group signed a $4.2 billion, 25-year gas supply agreement linked to Ethiopia's Ogaden Basin, strengthening cross-border industrial integration through fertilizer production. At the same time, United Capital expanded into the Kigali International Financial Centre to scale investment banking activities across East and Central Africa.

In parallel, a $990 million UK-backed export finance agreement to modernize Lagos and TinCan ports aims to increase trade capacity. These developments collectively indicate Nigeria's outward expansion through industrial linkages, financial services, and infrastructure modernization.

Algeria | Morocco

Algeria is advancing diversification by bringing the Amizour zinc and lead project online, targeting annual production of 170,000 tons of zinc and 30,000 tons of lead. At the same time, gas production rose 7 percent year-on-year to 10.44 bcm in January 2026, supporting both domestic demand and exports to Europe.

Morocco is progressing with the Nador LNG terminal to strengthen energy security and gain direct access to global gas markets. Together, diversification efforts in Algeria and gas import infrastructure in Morocco highlight a regional strategy balancing export growth with energy security.

Botswana | Zambia | Tanzania | Kenya

In Botswana, Lucara Diamond's discovery of a rare 36.92-carat blue diamond coincides with a broader shift among mining firms toward copper and critical minerals due to weakening diamond demand. This transition is reinforced by Leviathan Metals expanding its copper exploration footprint in the Kalahari Belt to 590 km².

Zambia is accelerating AI-driven exploration through KoBold Metals, while Tanzania's central bank investment in Africa Finance Corporation aims to channel more capital into infrastructure and critical minerals. In East Africa, Kenya is reviving the Standard Gauge Railway extension using a revenue-based financing model to reconnect trade corridors with Uganda.

Across the region, mineral diversification, financing innovation, and logistics expansion are converging to strengthen long-term supply chains and regional trade integration.

Guinea | Chad | Mali

Guinea is considering export quotas on bauxite, which accounts for roughly 40 percent of global supply, increasing upward pressure on aluminum prices. In Chad, an ongoing arbitration dispute with Savannah Energy over ExxonMobil's former Doba assets is creating legal uncertainty in the oil sector.

In Mali, Toubani Resources is moving forward with the $216 million Kobada gold project, targeting production of around 162,000 ounces annually from 2027 despite rising political and regulatory risks. These developments reflect a regional environment where resource potential remains strong but is increasingly shaped by legal, regulatory, and policy constraints.

Africa – General

Zodiac Gold expanded near-surface mineralization at Liberia's Todi project to 500 meters, while Starsight Energy secured $15 million in financing to scale solar projects in West Africa and reduce diesel dependence. At the same time, defense and geopolitical dynamics are evolving, with France supporting Mauritania's military capacity through a €10 million program and the European Union considering ending its missions in the Central African Republic amid rising Russian influence.

Russia's appointment of a new deputy foreign minister for Africa and the Arab world signals further diplomatic engagement, highlighting intensifying external competition. Across the

continent, investment activity, energy transition efforts, and geopolitical realignment are advancing simultaneously, though execution remains constrained by financing and institutional capacity.

Forward Outlook

Near-term developments will center on whether ongoing drilling campaigns, financing agreements, and asset transfers begin translating into measurable production gains and supply stability. In North and West Africa, attention will focus on the pace of upstream activity and the ability to sustain output without disruption, particularly where recent incidents have highlighted infrastructure sensitivity. At the same time, progress in logistics and port modernization projects will be key to determining whether trade capacity expansions can support rising production volumes.

Resource policy direction will remain a critical variable. Export restrictions, quota considerations, and regulatory adjustments in key mineral producers will shape supply expectations and investor positioning. In parallel, exploration momentum in emerging jurisdictions will test whether new discoveries can be advanced into viable projects under existing financing and regulatory conditions.

Broader system performance will depend on coordination across sectors. Industrial expansion linked to energy supply, cross-border project execution, and the evolution of financing mechanisms will all influence near-term outcomes. Markets that maintain policy consistency and operational continuity are more likely to convert current momentum into sustained output, while those facing regulatory or infrastructure disruptions may see delays despite strong underlying potential.

Strategic Implications

- Project pipelines are increasingly transitioning from exploration and financing stages into delivery phases, placing pressure on timelines, coordination, and technical execution
- Asset ownership structures in hydrocarbons are becoming more fluid, with divestments and acquisitions reshaping control over production and reserves
- Governments are expanding economic strategies beyond extractives by linking energy supply with industrial output and regional trade corridors
- Financing architecture is evolving toward blended models, including export credit, development finance, and revenue-based mechanisms
- External actors are deepening their presence through targeted investments and diplomatic alignment, increasing competition over strategic sectors and market access