

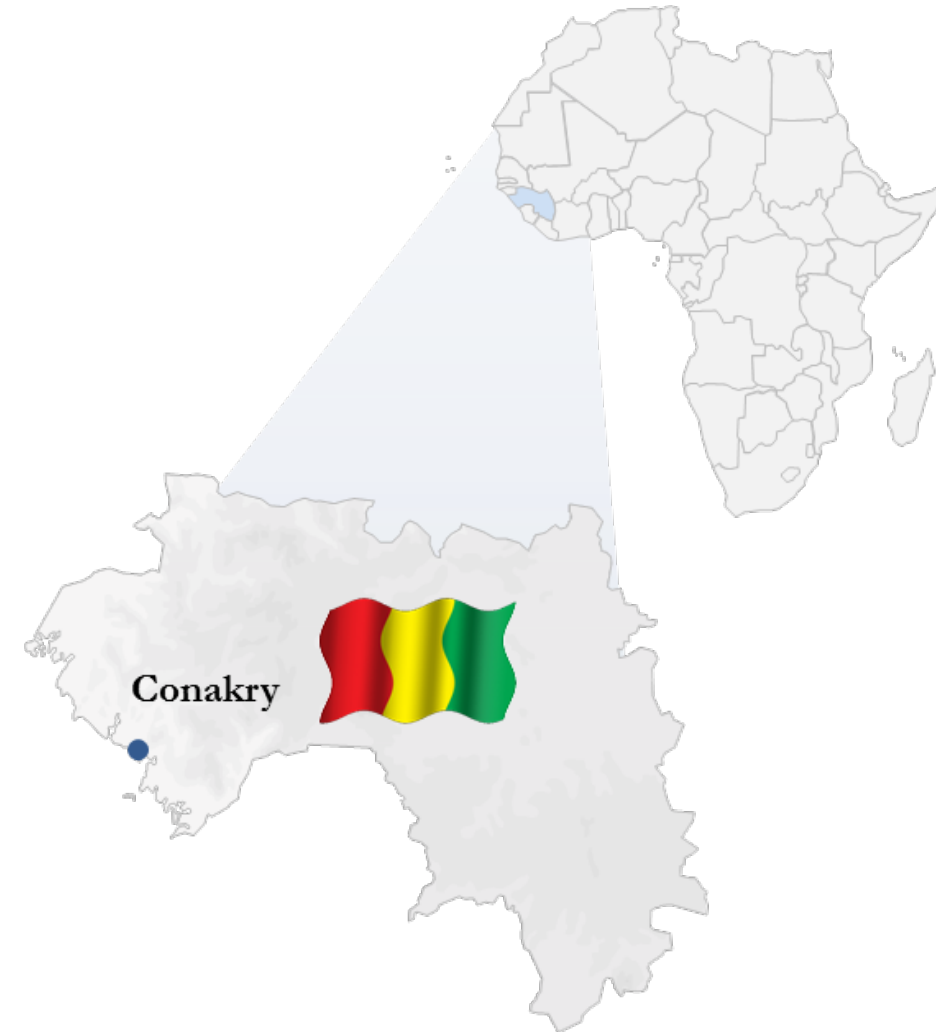
MINES - REPUBLIC OF GUINEA

Investment Opportunities: Building Strong Partnerships for Mutual Success



- 1 – LARGE POTENTIAL WITH WORLD CLASS DEPOSITS
- 2 – ONGOING REFORMS AND PROJECTS AMID DIFFICULT CONDITIONS
- 3 –THE UPCOMING AGENDA
- 4 –OPPORTUNITIES BEYOND THE MINES

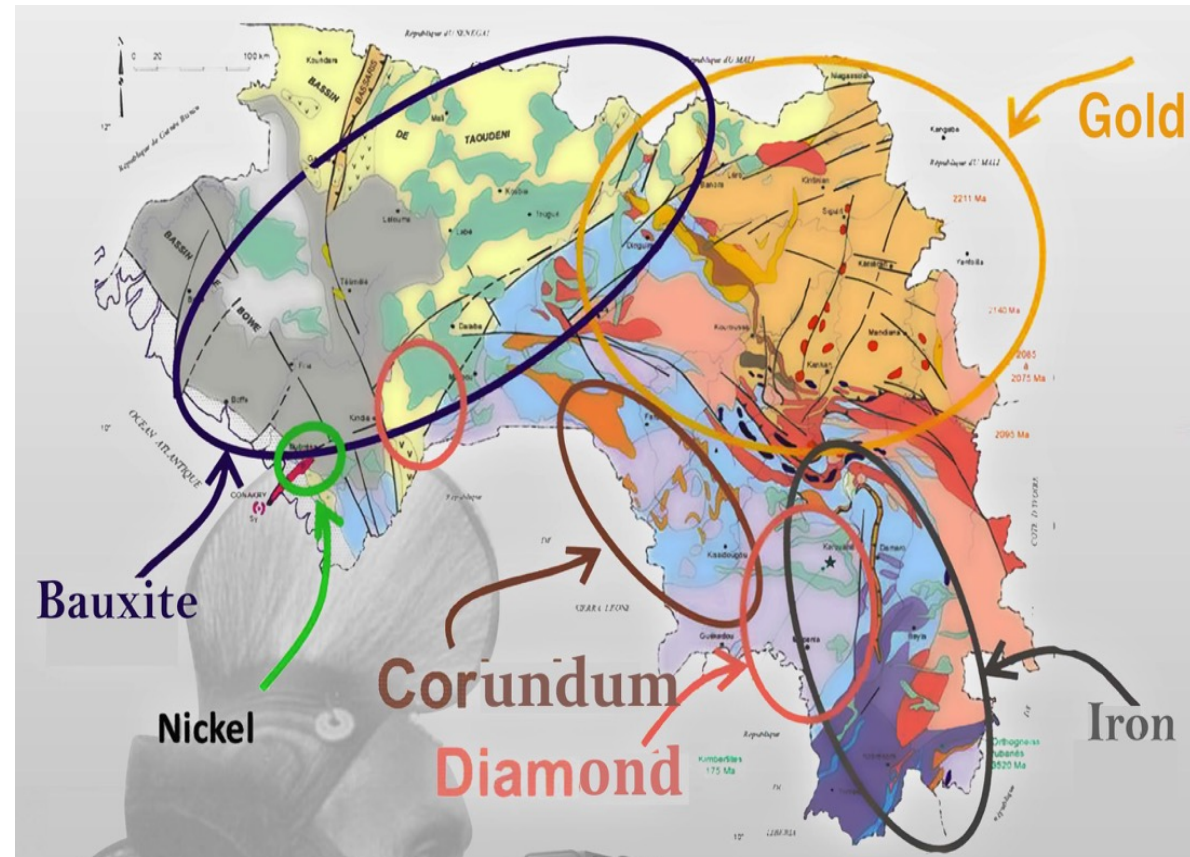
- Guinea is a natural resource-rich country with tremendous **potential** in agriculture, hydropower and of course mining, and yet, a poor country.
- We are home to the world's largest untapped **high quality iron ore deposit**. Yet, we have **never** produced a single tonne of it.
- After **50 difficult years**, Guinea has opened up to the world and initiated **unprecedented reforms** to stabilize the country and restructure its economy.
- A new phase of our development, focused on attracting massive and **high quality investments** to unlock our tremendous **potential** and tackle poverty.



1 – LARGE POTENTIAL WITH WORLD CLASS DEPOSITS

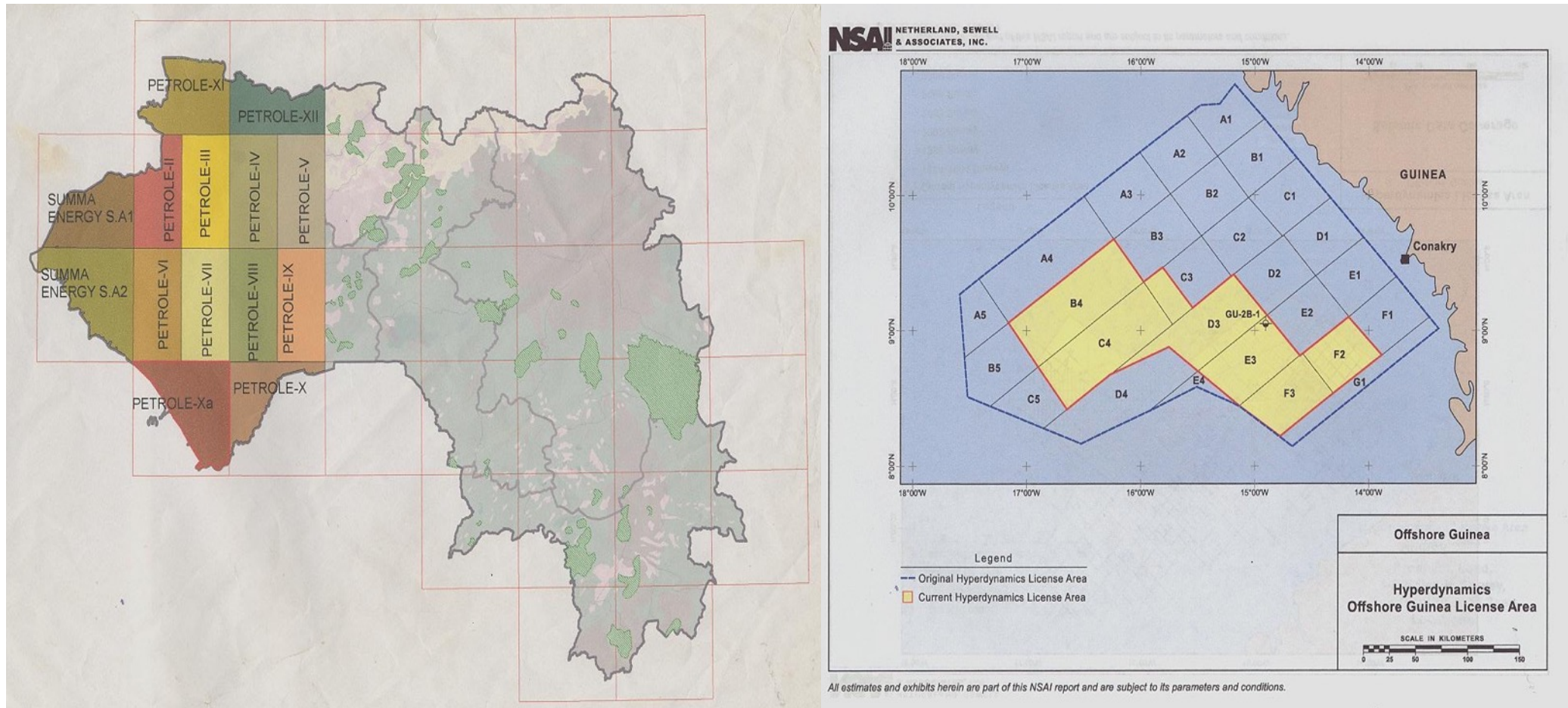
Large and diversified mineral endowment

- **Bauxite:** Guinea holds the world's largest deposits; reserves estimated to 40 billion tones, with a grade higher than 40%.
- **Iron ore:** Guinea has the largest and best untapped iron ore deposits in the world; 20 billion tones of world-class reserves (high grade: more than 60%).
- **Gold:** 700,000 tones.
- **Diamond:** 30 million carats, with proven ability to discover other interesting primary deposits.
- **Base metals (nickel, copper, cobalt, manganese...):** proven indices that should be confirmed by further researches.



1 – LARGE POTENTIAL WITH WORLD CLASS DEPOSITS

Hydrocarbon potential



**Onshore = 14 blocks,
around 40.000 Km²
Encouraging results**

**Offshore = 22 blocks,
around 80.000 Km²
a large undevelopped bassin**

2 –ONGOING REFORMS TO UNLOCK THE POTENTIAL

The Government has kept the pace of the reform agenda in spite of the epidemic...

Despite the Ebola epidemic, the Government has continued implementing a both **progressive and business friendly mining policy**, based on the following core pillars:

☐ Strengthen the **legal and institutional framework**:

- *a new petroleum code was adopted in 2014*
- *Creation of a One-Stop Shop dedicated to mining projects*
- *Following an audit, the mining cadaster has been cleaned up*
- *Ongoing reform of the cadaster with the aim to have a timely, transparent and secure access to mining titles.*

☐ Promote **transparency and good governance**:

- *Transparent review of previous mining contracts , with the assistance of international law firm, in a spirit of long term and win-win partnership with investors.*
- *Significant and steady progress in transparency and accountability. As a result, in July 2014, Guinea became a full member of the Extractive Industries Transparency Initiative (EITI).*

☐ Promote **win-win partnerships** that benefit all:

- *Completion of the investment framework for Simandou South Project and several other mining agreements in the bauxite sector*

2. ONGOING REFORMS TO UNLOCK THE POTENTIAL

...and most of the mining projects are progressing

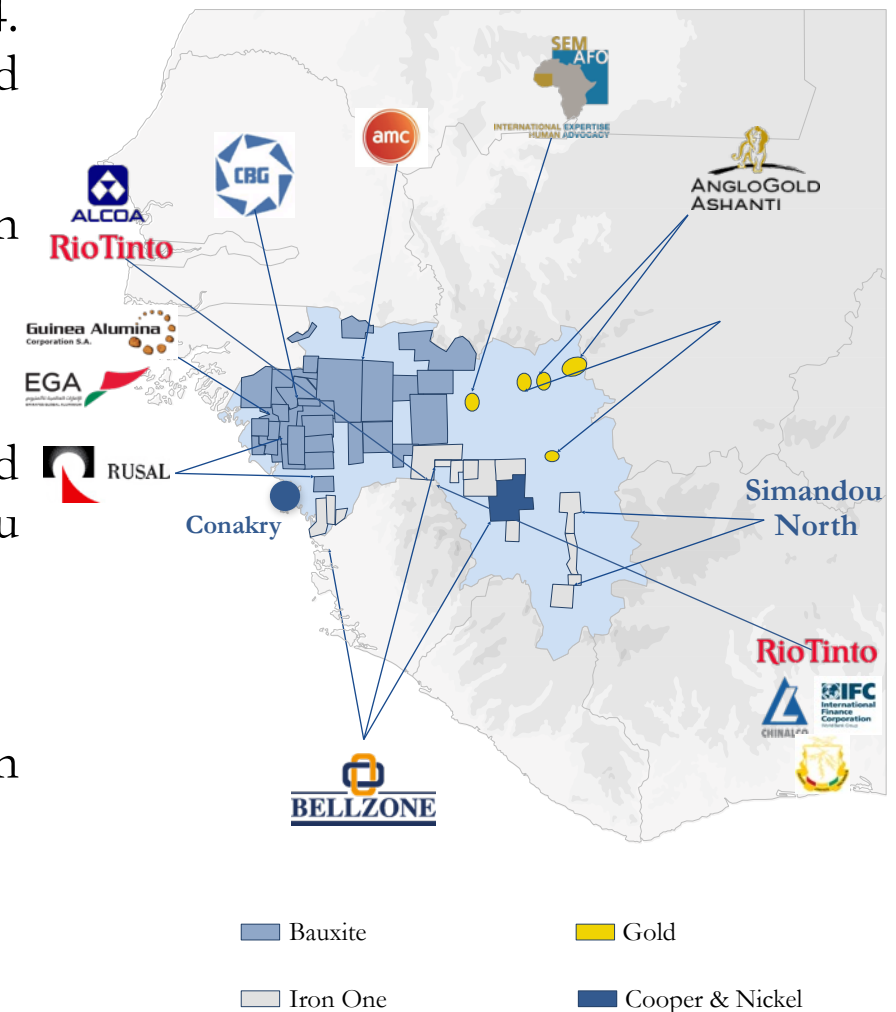
Support to existing projects:

- CBG has exceeded its projected production in 2014. 2017 extension still on track. 40 years uninterrupted operation.
- SAG (AngloGold) with 26 years uninterrupted operation going on

Acceleration of new projects

- Start of the infrastructure consortium process and progress of the Bankable feasibility study of Simandou South Project
- EGA's GAC project is still progressing on schedule
- Progress on projects with West African Exploration (Iron ore), AMC (Bauxite), Alufer (Bauxite) etc.

GUINEA MINING MAP



3 –THE UPCOMING AGENDA

Consolidate structural reforms and accelerate the development of the country's potential:

Build more capacity for the government, the workforce, SME's and communities

- Have a **fully operational One Stop Shop** with all necessary resources
- Increase the **vocationnal training** capacity through national training centers and a regional one
- **Capacity building for SME's** in order to maximize local content opportunities
- Undertake, under a PPP structure, the construction of the **national laboratory** with internationally recognized standards
- Establish a **constructive dialogue platform** between all stakeholders of the mining sector in partnership with the World Economic Forum, UNDP, AfDB and the World Bank.



Consolidate structural reforms and accelerate the development of the country's potential:

Ensure a smooth development of projects

- Facilitate the formation the Infrastructure Consortium of the **Simandou** project and monitor other mining projects
- Start the construction phase of EGA's GAC Project
- Accelerate the development of other projects



Attract more investment

- Launch the **tender for major bauxite and iron ore deposits** with fairly known reserves
- **Modernize the cadaster** and grant **new licences**
- Improve our knowledge of the country's potential through a more precise **Geological survey**

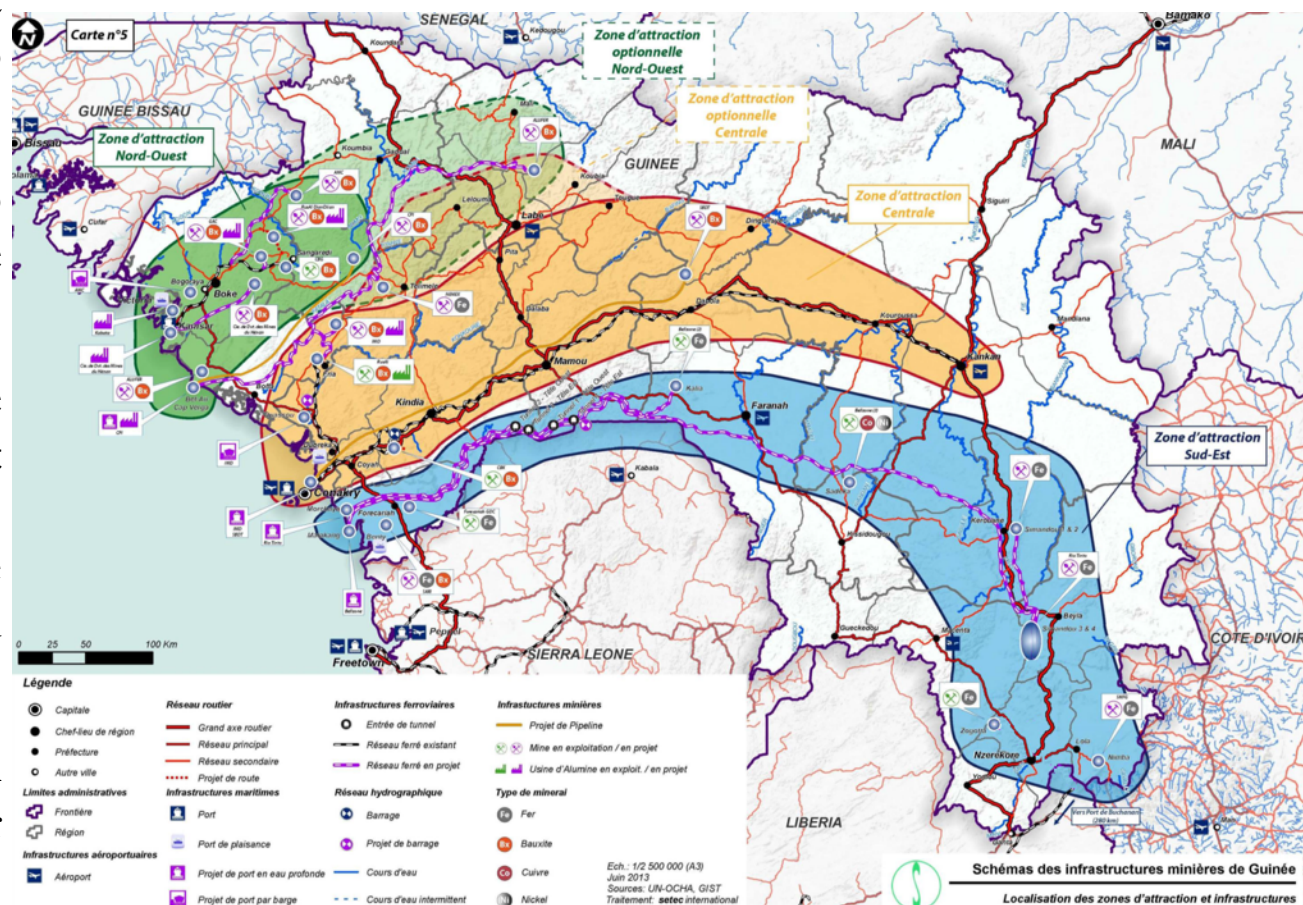


4 – OPPORTUNITIES BEYOND THE MINES

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Synergy of Mining and Infrastructure (1/2)- Transport

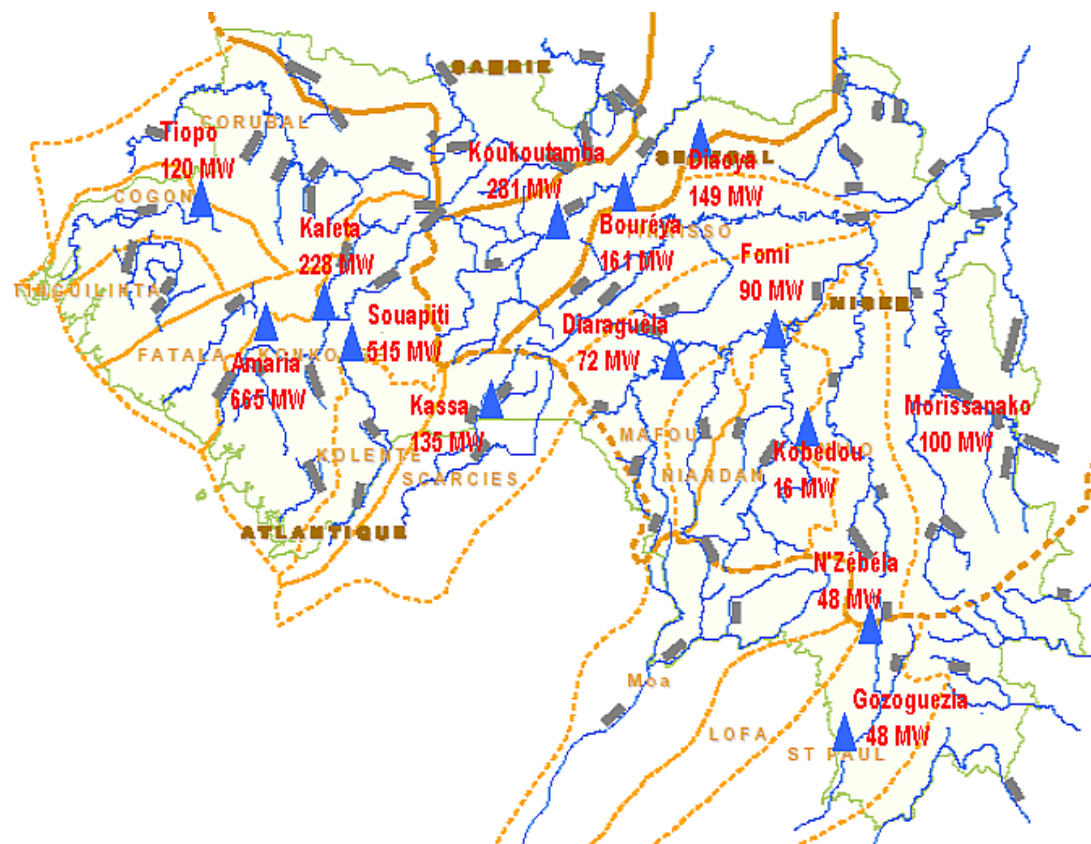
- To unlock the mining potential, Guinea has to develop **infrastructures** linked to the mining sector.
- A **Masterplan** of Infrastructures linked to mining has been developed with the World Bank.
- Main benefit of this Masterplan is the **cost sharing**, the increase in **profit margins**, the **reduction in cost of production**, and a **comprehensive development** of infrastructure needed for all keys sectors
- An **independent regulatory system** (in preparation) to ensure optimized and fair access to the infrastructure



A practical example of this sharing of infrastructure is underway in the North West corridor between CBG , RUSAL and GAC, with the signing of a multiuse term sheet

Synergy of Mining and Infrastructure (2/2)- Energy

- **Guinea** has a **great potential** for **hydroelectric power** with **more 150 sites** that may help process some of the mining products,
- Less than **10% of the potential** is currently developed
- The Country is part of **regional power pools** and will export part of the production of the upcoming Kaleta dam.
- The **feasibility study of Souapiti dam** has been **lunched**
- Ongoing **institutional reform** after a comprehensive study
- It is planned to develop a **masterplan** for the **integrated development of mining and energy projects**



Potential Production capacity	Number of sites
More than 200 MW	4
Between 150 and 200 MW	3
Between 100 and 150 MW	10
Between 50 and 100 MW	16
Between 10 and 50 MW	48

THANK YOU FOR YOUR ATTENTION

