



1 February 2016

Guinea Ramps Up The Development of its Mining Sector

The Guinean Government and Alufer sign the Mining Convention for the Bel Air Bauxite Project

The Government of the Republic of Guinea and Alufer Mining Limited (Alufer) are very pleased to announce today, 1 February 2016, the signing of the Mining Convention for the Bel Air bauxite project.

This is a significant milestone for both Guinea and Alufer as the development of this mine will create direct and indirect jobs, support local community development and skills training and will generate important revenues for the Guinean state.

Once the Mining Convention is ratified, Alufer plans to start the main building works for the project in the second half of 2016 with first production expected in the second half of 2017. The first phase of production is 5 million tons per year, with a second phase expansion to 10 million tons in a few years. This will result in the creation of around 3,500 direct and indirect jobs. All activities will be carried out in line with the IFC's international standards regarding environment, development, employment, communities and transparency.

The Minister for Mines and Geology, Mr Aboulaye Magassouba "is delighted that local communities will benefit from the project through training, employment and economic development." He also outlined that "some activities will go beyond the obligations of the project, particularly in the area of training, which demonstrates the will of Alufer to be a partner of the country and the communities."

Bernie Pryor, the CEO of Alufer underlines that "both parties have worked very hard over the past four months to conclude the negotiations and Alufer thanks the Government and the Ministry of Mines for their efficiency and their transparency in order to finalise this agreement." Highlighting the importance of the project for the country, he adds that "with the Government's support, the Bel Air project aims to become a globally significant bauxite producer, creating wealth for our stakeholders and economic prosperity for the people of Guinea by building a sustainable mining business that acts in a disciplined, safe and environmentally responsible manner." Finally, he is delighted that "Alufer will be an important part of the mining sector going forward and for Guinea to continue to be one of the leading players in the global bauxite and alumina markets over the longer term."

In his speech, the Prime Minister Mamadi Youla explains that "the efforts made since 2010 to boost business and social development finally give significant results, the signature of the Bel Air project's Mining Convention being one of the best examples. It also demonstrates to the international community and to investors that after two years of fighting courageously against Ebola, the battle is over and business can now continue."

Note: The Bel Air Project started in 2010 in the Boffa region and is 15 kms from the coast. Alufer plans on extracting bauxite by utilising surface mining equipment to limit negative impacts on the environment and local communities, transporting the ore by truck and loading it onto barges to deliver it to transshipping vessels.