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## Update on major mining operations in Guinea

*Friday, 13 Nov, 2009*

Reuters reported that a reported minerals deal between Guinea and a Hong Kong based investment fund, though unconfirmed, would risk undermining international sanctions against the West African country's military junta.

Guinea's vast mineral resources have attracted major international mining firms and it is the world's number 1 supplier of aluminium ore bauxite.

Here are details of some of the country's major mining operations and planned developments.

In December 2008, amid falling demand for metals and a company wide program of spending cuts, Rio Tinto postponed development of the Simandou iron ore concession. The firm says it is the world's biggest undeveloped iron ore deposit, with an estimated 2.25 billion tonnes of ore. The project, forecast to cost USD 6 billion, was scheduled to produce 70 million tonnes of ore in 2013, its first projected operational year, with the capacity to increase production later.

Rio and the government of then President Mr Lansana Conte had been in dispute for months about the project. At one point the government said it was canceling a licence for Simandou, but Rio said it would move forward with the project.

In December 2008, BSG Resources, a company belonging to Israeli diamond trader Beny Steinmetz, said it had obtained the rights to the northern portion of Simando. Camara's administration has upheld the handing of the portion of Simandou to BSG Resources, a decision Rio challenges.

(Sourced from [www.reuters.com](http://www.reuters.com))

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