
Guinea government cancels all mining agreements

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Bloomberg reported that Guinea's military junta, which seized power after the death of Mr Lasana Conte, President of Guinea this month, has canceled all mining agreements in the country and said that existing contracts would be revised.

The junta said that the decision to revise mining agreements was prompted by corruption in the industry,

Mr Moussa Dadis Camara, the junta chief, who is now acting as President of Guinea, said that "Activities in the gold bearing zones have been halted at the moment."

Guinea, which holds the world's biggest reserves of bauxite, has no history of a democratic transfer of power. The junta has ruled out elections for 2 years and imposed a nationwide curfew following its takeover on December 23rd 2008, a day after Mr Conte died.

Guinea is the world's fourth biggest producer of bauxite after Australia, Brazil and China. Bauxite and related industries account for about 80% of its foreign exchange earnings. It produced 14 millions tonnes of bauxite in 2007. Rio Tinto Group, Alcoa Inc, United Company, Rusal and AngloGold Ashanti Limited have operations in the country.

(Sourced from Bloomberg)

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