

GuineaGate

THE SIMANDOU CONSPIRACY

Conspiracy To Deprive BSGR of its Iron Ore Assets In Guinea

The Partners: **Alpha Conde** - **Och-Ziff** - **George Soros** - **Rio Tinto**

The BSGR Venture into Guinea- Background

- BSGR established its mining exploration project in Guinea in 2006. Having discovered a major greenfield deposit in an area known as Zogota, it invested very large sums of money in its expedited prospection program towards a feasibility study.
- Rio-Tinto had been granted a mining project in 1997 over the Simandou Blocks 1,2,3 & 4, but did no meaningful work on these assets. Therefore, in the summer of 2008, the Government of Guinea, required Rio Tinto to retrocede half of its exploration perimeter – Blocks 1 & 2 - in compliance with the mining code regulations.
- In contrast with the speed at which BSGR had worked, it had taken Rio Tinto 20 years just to deliver their feasibility study (which turned out to show that the project was not economically feasible), and it claims to have spent billions on developing the project using the Guinean rail and port as its export route.
- In Dec 2008, following a competitive application process, BSGR was awarded Blocks 1 and 2 by the Mining Ministry.
- In total, BSGR invested over \$160 million in the ground on its Guinean iron ore projects from 2006 to 2010, developing a greenfield project on the brink of being a high quality bankable mining concession.
- In return for the right of passage through Liberia (the only viable economic export route) BSGR committed to rebuild the passenger trans-Guinea railway, from Conakry to Kankan, at a total cost of up to \$1.2 billion as a present to the people of Guinea.



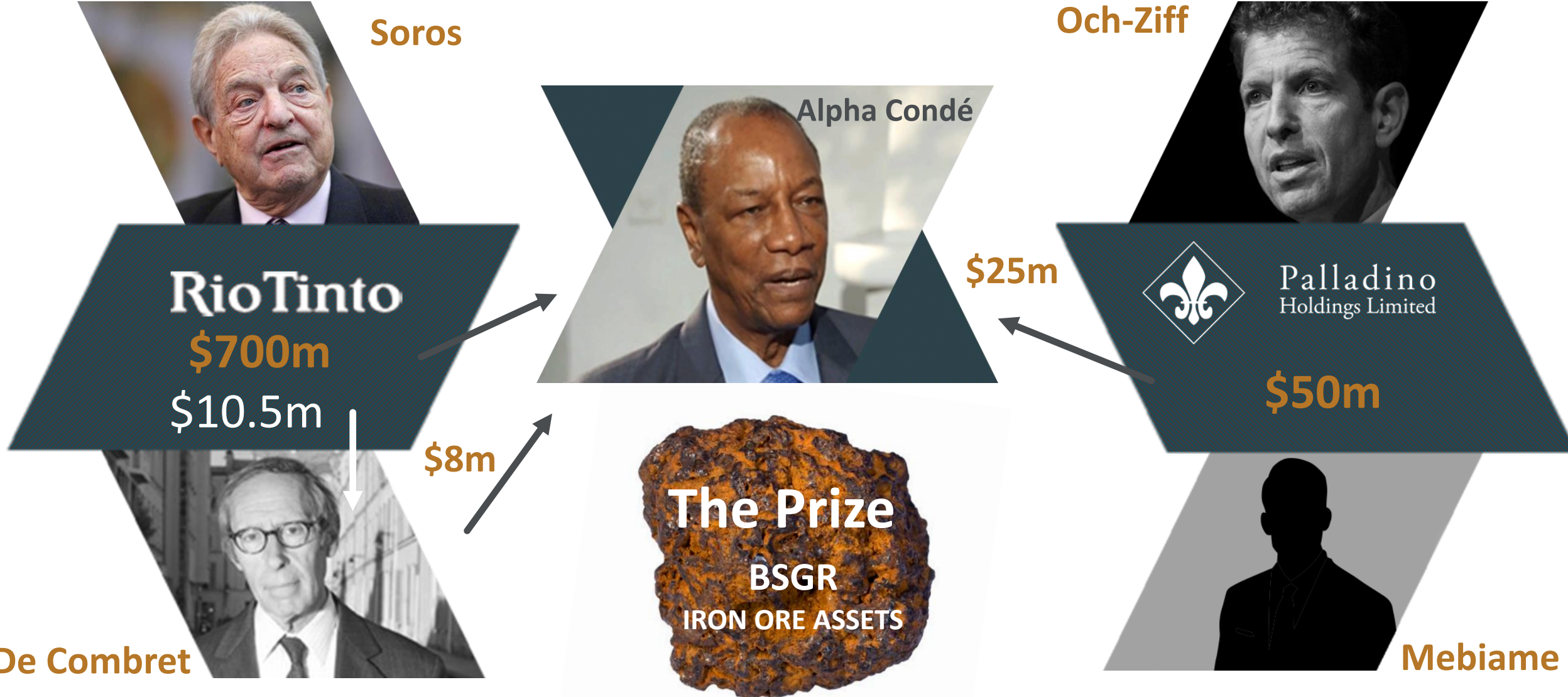
The BSGR Venture into Guinea- Background

- In March 2010, following the ratification of BSGR's Concession Agreement, BSGR set out to sign a MOU for the infrastructure and passage through Liberia.
- In April 2010, BSGR entered into a 51/49% JV with Vale SA of Brazil (one of the largest iron ore mining companies in the world). The deal valued the project at \$5 billion (only \$500 million of which was actually paid to BSGR), and Vale committed to invest over \$10 billion into Guinea and Liberia over the following years.
- In Dec. 2010, following a rigged election financed by a subsidiary of US hedge fund Och-Ziff through a company called Palladino and others, Alpha Condé became President and immediately embarked on a conspiracy scheme against BSGR, targeting to expropriation BSGR's legally acquired rights.
- Condé halted all work on the project, including infrastructure works on the trans-Guinea Conakry-Kankan passenger railway which BSGR had committed to build as part of its social commitment.
- In April 2014, having obsessively campaigned against BSGR with the support of George Soros and Rio Tinto, Condé, expropriates BSGR's mining rights by Presidential Decree on entirely false allegations, despite the JV having spent over \$860 million on the ground.
- BSGR subsequently launched Arbitration proceedings in ICSID against the Government of Guinea.
- Rio Tinto launched an unsubstantiated malicious RICO complaint against BSGR and Vale SA in the US courts, which was later dismissed.

The BSGR Venture into Guinea- Background

- In Oct. 2016, after 20 years of presence in Guinea, Rio-Tinto abandoned Blocks 3 and 4, transferring its participation to its Chinese partner, Chinalco.
- In Nov. 2016, Rio Tinto admitted paying \$10.5M to Francois de Combret (Condé's go-between) in order to secure its rights over Blocks 3 and 4 and improve its chances to recover Blocks 1 and 2. Rio Tinto fired senior employees who were involved in this payment as well as its head of legal and compliance.
- BSGR sent a letter before action to Rio Tinto, claiming damages of \$5 Billion for interfering with its assets. BSGR is considering filing similar claims against other entities in the near future.
- As at January 2017, there is no foreseeable chance that the vast deposits at Simandou will ever be exploited for the benefits of the Guinean people. The actions of Condé and his willing co-conspirators, driven by their greed and corruption, have ensured that the only project ever seriously to commit to Simandou is BSGR's will never happen.

An Orchestrated Conspiracy...



Evidence Of The Conspiracy Exposed And Prosecuted



Rio Tinto GuineaGate

Investigation in USA, UK & Australia

Och-Ziff

Plea settlement paid \$412 million

DPA with DOJ & SEC

<https://www.justice.gov/opa/pr/och-ziff-capital-management-admits-role-africa-bribery-conspiracies-and-agrees-pay-213>

Samuel Mebiame

Arrested by FBI in August 2016

Currently in plea negotiations with the DOJ [*add latest DOJ link*]

Mohamed Condé

Ongoing Investigation into corruption by the Paris Parquet National Financier



Australian Government
Attorney-General's Department



SFO

serious
fraud
office

How The Conspirators Executed Their Machiavellian Plan

- The conspiracy to steal BSGR's Assets was planned well before Alpha Condé was elected President BSGR's assets were promised to the backers of his election campaign - Och-Ziff / Palladino.
- First, Condé tried to explore expropriation by legal means. He engaged the law firm Heenan Blaikie, but the advice was unequivocal: BSGR's licenses were legitimate and legal.
- Condé, with the support of Soros, Soros's NGOs and the law firm DLA Piper (who act for both Soros and for Guinea), conceived a new mining code and contract review scheme which would enable the President to easily revoke licenses.
- Mebiame (Och-Ziff's corrupt middle man) admitted to the US authorities being involved in rewriting the mining code as part of the expropriation scheme.
- At several meetings with BSGR in early 2011, Condé "put the squeeze" on BSGR and demanded an immediate extortion payment of \$1.25 million. Condé told BSGR "talk to my son" about the "payment", in order to let the project continue.
- **Condé then sent his agents to pay Mamadie Toure and fabricate evidence in order to execute his premeditated expropriation plan over BSGR assets, which he then finalized by Presidential Decree.**
- Condé also engaged PR advisors and used government agents to smear BSGR's reputation in the media. Government letters were often leaked to the press.
- For instance, Condé fabricated reports that Beny Steinmetz was behind an attempted coup d'état in the French satirical paper Canard Enchaîné in France, supported by statements of his Ministers. BSGR sued for defamation.

Alpha Conde's Tactics - continuation

- Condé denounced BSGR executives as persona non grata in the country, and pushed a judge to open an investigation and illegally arrest and then detain BSGR's local employees for 8 months in jail. Guinea was condemned and fined by the Human Rights court of the ECOWAS for grave violations of law and human rights, for these actions.
- Condé used Mamadie Toure, falsely claiming she was the fourth wife of the former president (for which there is absolutely no evidence) and paid her to falsify her declaration. He paid her at least \$50,000 in checks and it is likely she has received more.
- Mamadie Toure had tried on several occasions to extort money from BSGR, making false allegations which she later retracted.
- Condé used Soros's influence at the highest levels in America to open an investigation against BSGR and Beny Steinmetz.
- In addition, Guinea/Condé sent rogatory letters to the Swiss authorities leading them to open an investigation against Beny Steinmetz, in respect of which Steinmetz has cooperated fully. However, Mamadie Touré has failed to cooperate with the Swiss investigation, refusing to answer questions despite being requested to do so on several occasions.
- As soon as it was made aware of the corruption allegations, the Board of directors of BSGR and the Trustees of its holding Foundation engaged a forensic investigation led by two large leading US legal and accounting firms specializing in forensic investigation and headed by Louis J. Freeh (Ex-head of the FBI 1993-2001). **The investigation found no evidence whatsoever of BSGR having engaged in corruption or any illegal activities.**

The Corrupt Witness Scheme

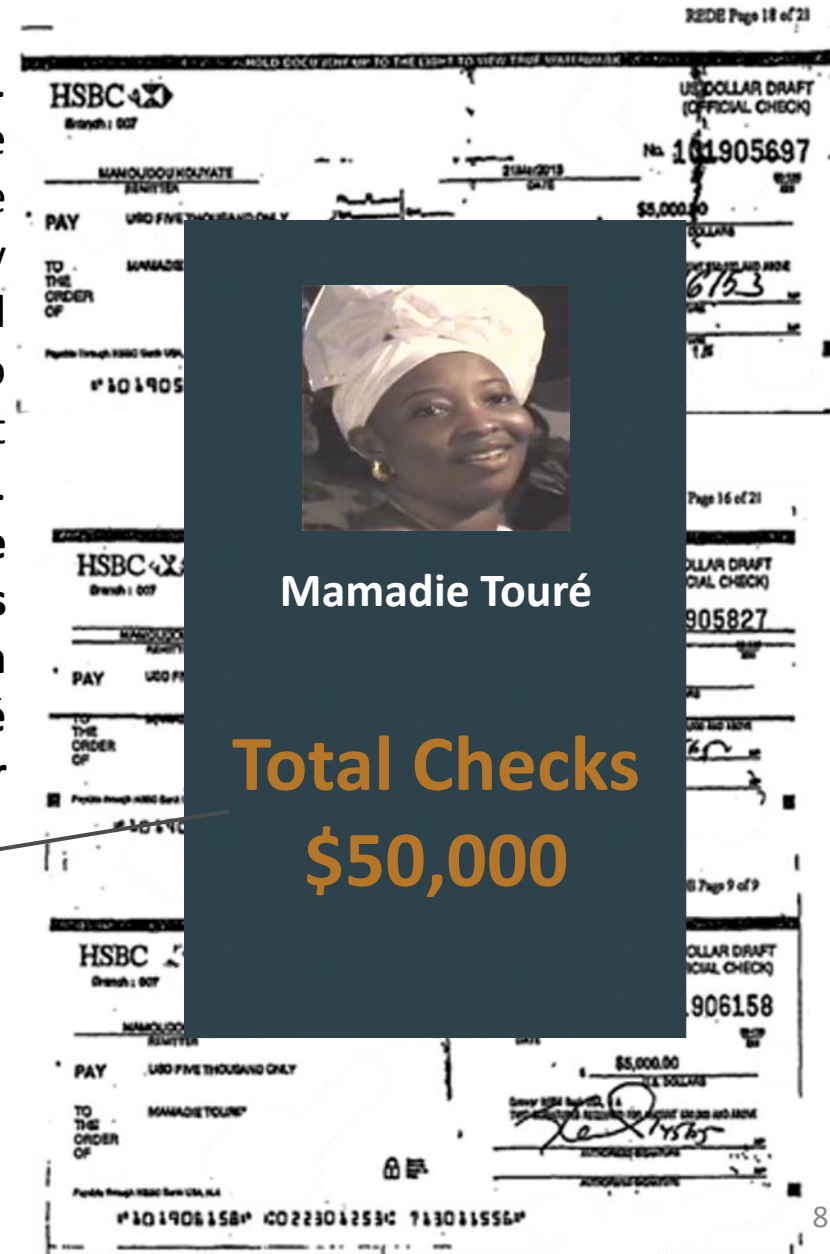
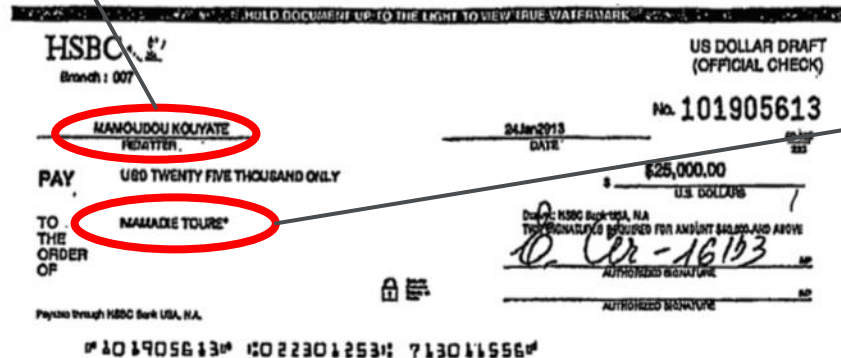


Kouyate

Soros

Condé

Payments were made to Ms. Mamadie Touré for providing false statements against BSGR. These payments were made by Mamoudou Kouyate, the special personal agent of Condé and who was also the official contact person between Condé and Soros. It is interesting to note that the witness statement of Kouyate is the only "proof" of the Guinean government that Mamadie Touré was the fourth wife of the former president- Conte.



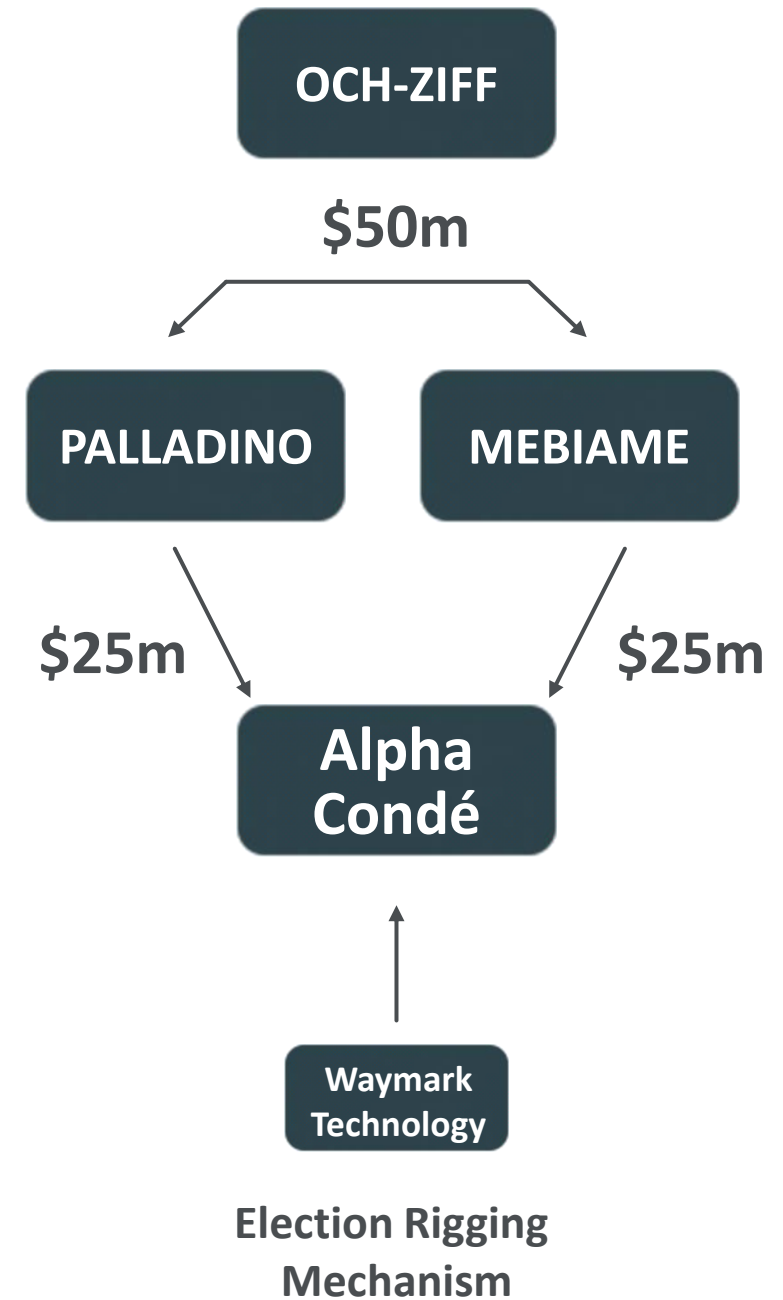
Mamadie Touré

Total Checks
\$50,000

Och-Ziff

Funding & Rigging the Election in Guinea

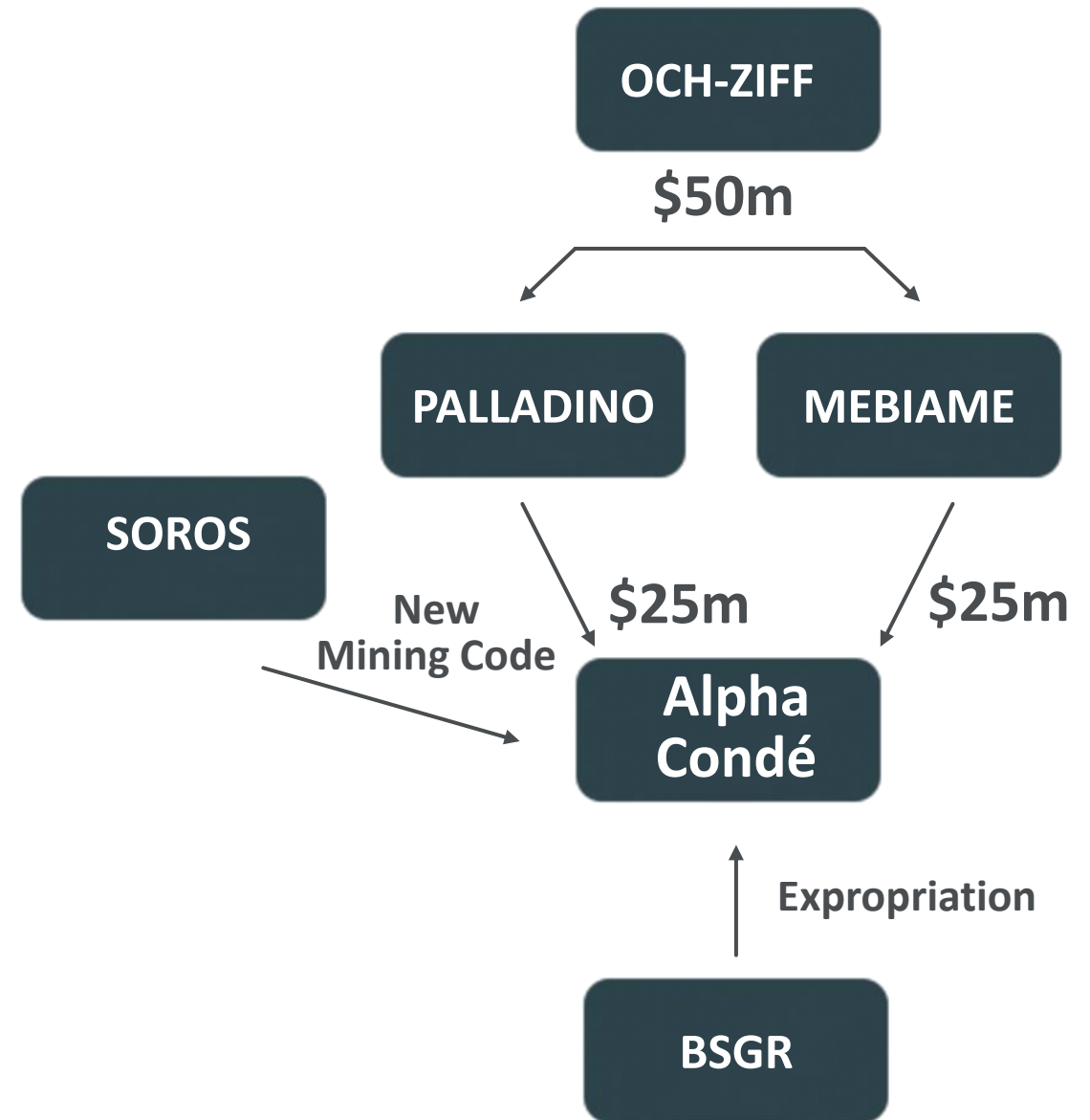
- Conspiracy to steal the rights of BSGR by Funding & Rigging the election
- Och-Ziff is promised BSGR Asset by Condé
- DOJ & SEC & SFO evidence has exposed campaign funding trails



Och-Ziff

New Mining Code & Loan for Shares

- Och-Ziff Finances \$50m for Guinea Project
- Mebiame & OZ team advise Condé on New Mining Code (“NMC”)
- Soros advises Condé on NMC and BSGR contract review.
- NMC grants State Mining Company 15% free carry + 20% participation.
- Palladino Loan default to automatically grant 30% of State Company (“Russians style Loan for shares scheme”).
- “Main Prize = BSGR Iron Ore Assets” says Sami Membiame.

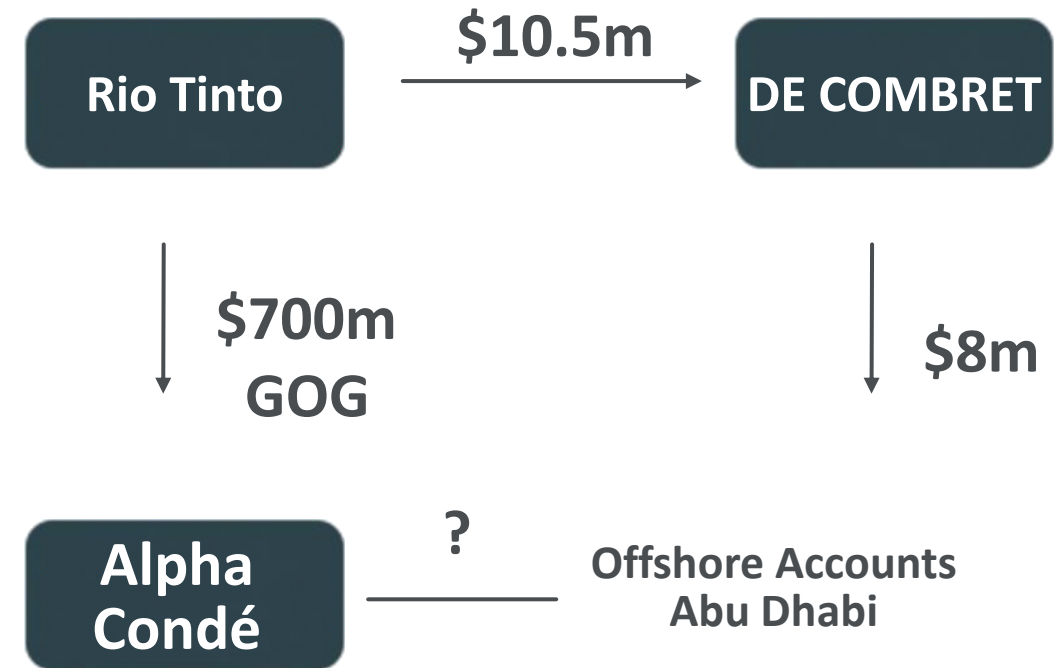


Rio Tinto

GuineaGate

Bribery & Corruption

- Rio Tinto transferred \$700 million to Condé a few months after election
- Transaction & Settlement Agreement supported by George Soros
- Condé promises to help and support Rio Tinto in Guinea
- Down payment bribe of \$10.5m negotiated and funneled through Francois de Combret. Most of these funds went to Alpha Conde and his son Mohamed
- The objective of Rio Tinto's campaign targeted to recover BSGR's Blocks 1 and 2



Rio-Tinto's internal Emails showing its part in corrupting Conde

FINANCIAL REVIEW
PREMIUM

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From: Davies, Alan (RTIO)
Sent: Tuesday, May 10, 2011 02:15 PM
To: Walsh, Sam (RTIO)
Subject: Confidential: Francois de Combret

=====
Sam
Further to our discussions about Francois de Combret's fee and arrangements going forward, I provide the following update and request for approval. I have held discussions with Francois following your discussions with Tom last week. We have reached a final point, where Francois has requested a fee for services on securing 3 and 4 of US\$10.5m. This is clearly stated as his bottom line, and a reduction from his request of US\$15m.
Sam, I accept that this is a lot of money, but I also put forward that the result we achieved was significantly improved by Francois' contribution and his very unique and unreplaceable services and closeness to the President. He vouched for our integrity when it was needed and helped bring us together when things were looking extremely difficult. These services were of the most unique nature, and we will never fully be able to judge the potential outcome if he was not assisting in us in good faith.
My belief is that we had a very low probability of resecuring 3 and 4, but through a combination of the negotiations and Francois' unique help to me and Rio Tinto, we were able to close. There is still an enormous amount to do to secure the investment fully.
Since the signing, Francois has helped me on a number of communication issues with the President and the Minister of Mines, which has been invaluable. I have absolutely no doubt that Francois will not act as a friend of Rio Tinto going forward, and is extremely valuable insurance that things do go smoothly as we bed down the arrangements with the GoG.
I am extremely worried if we lose the direct connection to the President that I have cultivated with Francois. Francois has behaved with the utmost integrity and as I say, I have extreme confidence that he will continue to assist us to improve our relationship with the GoG and the President. There is also now a glimmer of possibility that we may be able to move ourselves into a useful position in relation to 1 and 2.
Irrespective of the good advances I have personally made, I am extremely pessimistic without the invaluable services that Francois has provided. This is not a standard situation, and is indeed extremely unique. I am very worried if we are not able to stabilize the situation and start delivering the project. Finalizing these discussions in a satisfactory way is extremely good insurance for Rio Tinto.
May I please have your approval to agree a final fee with Francois of US\$10.5m I am devoted to transition our relationship onto very stable footing, and see this as a very necessary step to doing that.
Thanks for your understanding Sam

Alan Alan Davies
President International Operations
Rio Tinto Iron Ore

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PREMIUM

NEWS ▾ BUSINESS ▾ MARKETS ▾ STREET TALK REAL ESTATE ▾ OPINION ▾ TECHNOLOGY ▾ PERSONAL

Politics
Policy Operations

Message From: Walsh, Sam
Sent: 5/10/2011 2:32:53 PM
To: Davies, Alan (RTIO)
Subject: Fw: Confidential: Francois de Combret

=====
Alan,
Got the figure up to \$10.5 million but only holding an amount in escrow in his name subject to first shipment. I know that you won't like this, but put your thinking cap on.
Sam

From: Albanese, Tom (RTHQ)
Sent: Tuesday, May 10, 2011 06:32 PM
To: Walsh, Sam (RTIO)
Subject: Re: Confidential: Francois de Combret

=====
Sam,
Worth giving this a try, but also think about optics to the GoG.
Regards, Tom

Tom Albanese
Chief Executive Rio Tinto

Rio Tinto Interference: Smearing, Lobbying & Bribery

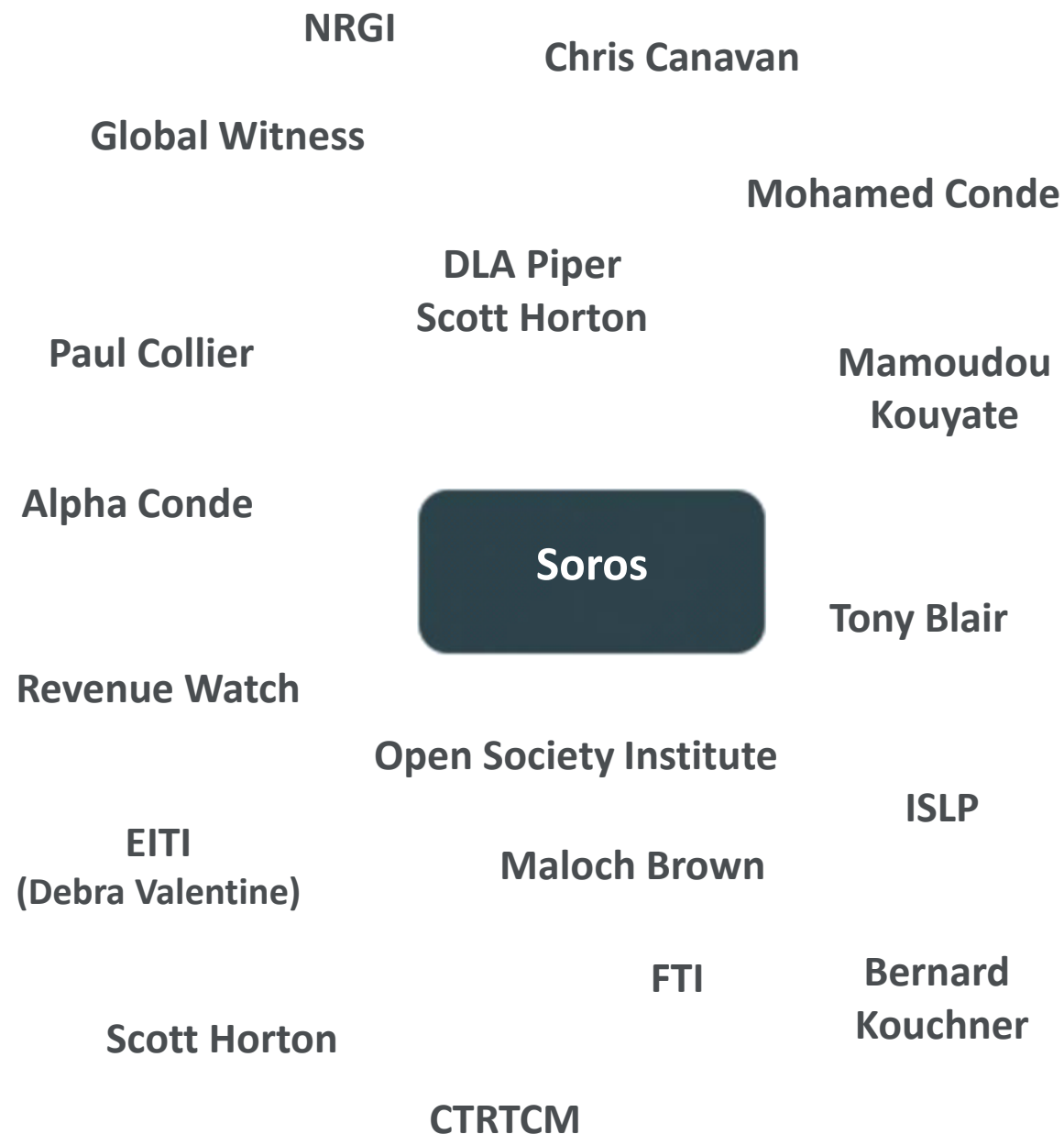
- Rio Tinto launched RICO complaint against BSGR/Vale in 2014 as part of their disruption and smear tactics
- Operational disruptions on ground in Guinea against BSGR activities
- Rio Tinto conducted illegal intelligence operations (employing 6 different intelligent firms) against BSGR
- International political and diplomatic lobbying as well as well organised smearing PR campaign
- Evidence of ongoing Rio Tinto's bribery and corruption continuing through 2016 exposed by the international press (FT, Bloomberg, France 24, AFR, Reuters...)



The Soros Galaxy

Influence & Interference

- Soros facilitated Condé in his scheme, despite his OSI positions against corruption
- Soros provided organizational and international network support to damage BSGR
- Soros interfered in the rights of BSGR in order to benefit of his personal agenda and that of Rio Tinto
- George Soros used his political power and influence in the US at the highest levels as well as the OECD.
- Soros exercised his influence through his controlled NGOs, Open Society, Revenue Watch, and paid personalities such as Tony Blair and Lord Maloch Brown to smear on BSGR and Beny Steinmetz



George Soros

Tortious Interference



George Soros: "I am basically there to make money.... I can not and do not look at the Social consequences of what I do"

Source: PBS 60minutes

- Soros funded and structured Condé's scheme providing him with legal Counsel, through DLA Piper, to fabricate a review process against BSGR.
- Soros makes his best efforts to upgrade Condé's status through political and business meetings in the US and abroad (eg the Davos forum).
- At first, the main mantra of Soros and Condé, was to inform the world that the BSGR project was too profitable.
- Mamoudou Kouyate, the go-between instructed by Condé to fabricate corruption charges against BSGR by bribing a State Witness (Mamadie Touré) was intimate in Soros circles.
- Soros financed a report, called the DLA Report, which "sexed up" allegations of corruption against BSGR, aimed at inducing prosecutions.
- On behalf of Condé, Soros attempted to extort (through his Soros Fund Management LLC), \$500 m from BSGR and Vale, as the price for them remaining in Guinea (a sum later reduced to \$250m just for the right to negotiate).
- Soros helped Rio Tinto reaffirm its preferential position with the Government of Guinea and explored ways to evict BSGR from the country.

Vale email correspondence evidencing the Soros\Condé “shakedown”

Original Message

From: Eduardo Ledsham

Sent: June 6, 2011 19:45 h ZW3

To: Murilo Ferreira

CC: Eduardo Bartolomeo; Guilherme Cavalcanti; Jorge C. Martins; Mario Barbosa; Ricardo Saad; Tito Martins; Vânia Somavilla

Subject: Re: Soros' phone call

Murilo,

I don't know if I commented to you that in the first week of March Roger and I were in London with Soros, where he suggested that Vale should anticipate US\$ 250 M to the government and as counterpart would get the agreement signed with BSGR guaranteed. One week later, after the draft agreement was ready, he changed position saying that we should pay US\$ 250 M to have the right to sit with the government and discuss the agreement again???. He clearly has a proximity to President Alpha but has no right to speak on their behalf.

This week President Alpha will be talking with BSGR on the subject of payment of the capital gain tax. Still to be confirmed, the Liberian President would like to have a meeting with Vale at the beginning of next week, on the agreement over the export through Liberia. She is interested to accelerate the agreement execution, and wants to know what is preventing it. Saad should participate in the meeting, during which we shall arrange a conditioning for the contract on the export through Liberia for Zogota and blocks 1 and 2.

Yours truly,

Eduardo Jorge Ledsham

Vale

Executive officer – Exploration, Energy and Projects

eduardo.ledsham@vale.com

Tel.: (21) 3814.8888

Fax: (21) 3814.8820

George Soros / DLA Piper

SCOTT HORTON - The Activist Lawyer

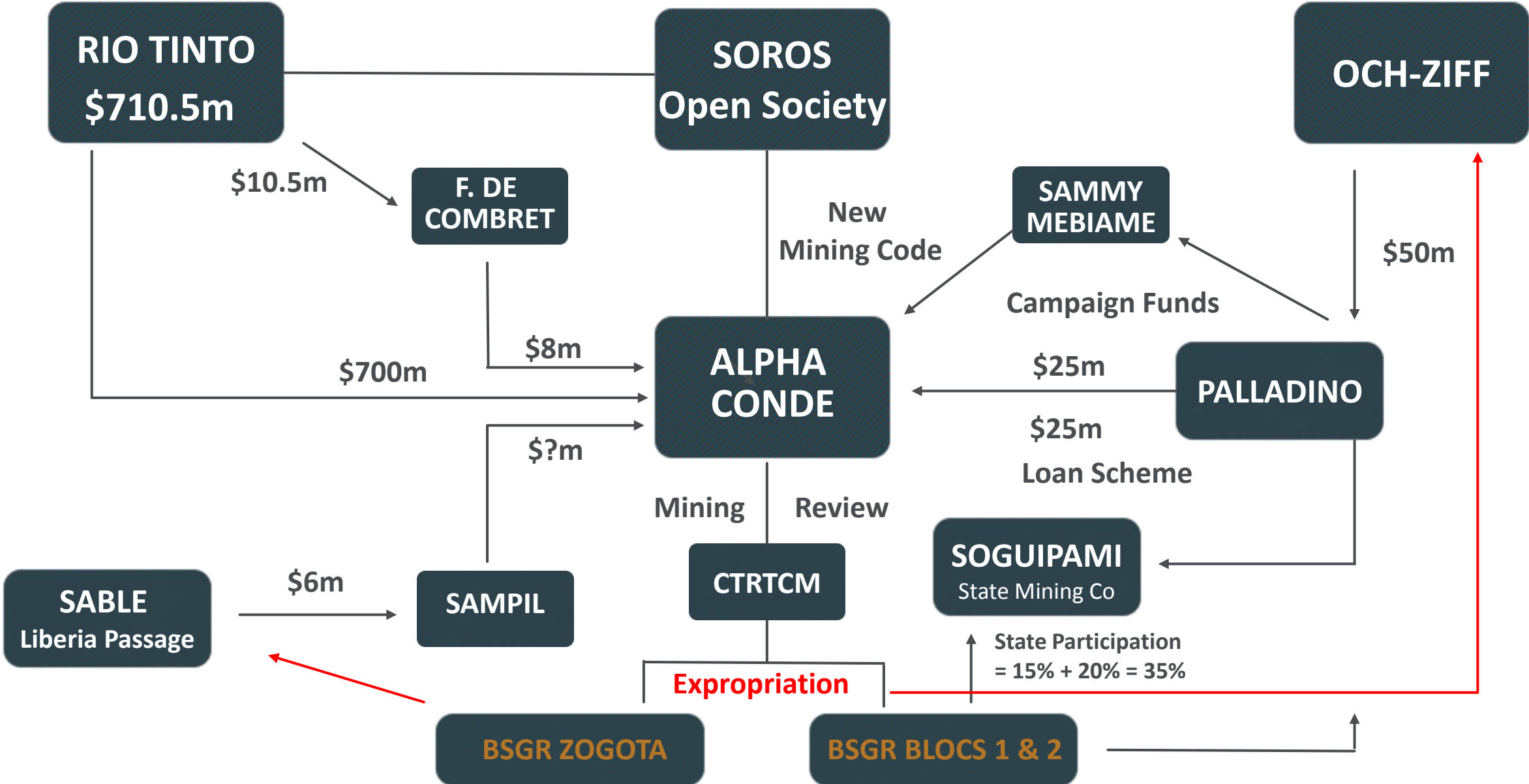


- Scott Horton, a partner at DLA Piper was brought in by Soros to help the Government of Guinea target BSGR, through the mining contract review
- Scott Horton used Veracity and other intelligence companies to fabricate allegations of corruption, which were “sexed up” in the “DLA Report”.
- Scott Horton was the “Chief Conductor” of the expropriation plan, working directly with Condé and his Ministers, Mohamed Condé and Mamoudou Kouyate as well as Chris Canavan of the Soros Fund to drive and execute the illegal strategies targeting BSGR
- Horton was involved in covering up the Palladino corruption scheme
- Horton was key to orchestrating the media strategy and smear campaigns against BSGR. Horton is an Advisor to Open Society.
- Horton facilitated and supported a Guinean judge in drafting malicious MLA requests to induce prosecutions of BSGR and Beny Steinmetz in many jurisdictions
- Horton drafted the retendering documents of Blocks 1 and 2 and is currently representing Guinea at ICSID

The Conspiracy Web



A Complex Conspiracy



Conclusion

- As BSGR has consistently maintained, it is a victim of a huge political and economic conspiracy perpetrated on it by some of the most sinister anti-democratic and unanswerable forces in the world.
- Alpha Conde, with the support of his partners and agents conceived and fabricated fake corruption charges against BSGR to steal its iron ore assets, because it did not agree to pay bribes.
- George Soros illegally interfered in BSGR's venture providing financial, technical and organizational support to the Machiavellian plans of Condé and his cronies.
- Och-Ziff, Palladino and others targeted BSGR's assets to reap huge windfalls from a corrupt scheme by illegally interfering to deprive BSGR of its multi-billion dollar project in Guinea.
- Rio Tinto corrupted Government Officials in its heist to maliciously and illegally interfere with BSGR's rights and ultimately sought to re-acquire these in return for the bribes it paid.
- Condé and his partners' corruption and bribes used a complex structure of "fixers" and intermediaries to siphon millions of dollars from the people of Guinea.
- The damage caused to BSGR is estimated to be between \$5-10 billion. The damage estimated to the Guinea people is the ongoing poverty and the lost opportunity to double Guinea's GDP.
- **BSGR is a victim of its commercial success and honesty. Unlike Rio-Tinto and Och-Ziff, BSGR refused to pay bribes to Condé. BSGR has consequently suffered the expropriation of its assets by Condé supported by George Soros, who gave him the legitimacy and platform to do so.**