
From: Daniel Pollak
Sent: 09 February 2011 16:51
To: Asher Avidan
Subject: Re: Meetings with President Condé and Minister Traoré

Incredible. Real fuckers, no shame.
 This Traore also sounds like a piece of work!

Sent from my BlackBerry® wireless device

From: Asher Avidan <asher@bsgresources.com>
Date: Wed, 9 Feb 2011 16:37:28 +0000
To: Daniel Pollak<daniel@bsgresources.com>
Subject: FW: Meetings with President Condé and Minister Traoré

[And you think u saw everything Take a look.](#)

From: marcio.senne@vale.com [mailto:marcio.senne@vale.com]
Sent: Wednesday, February 09, 2011 3:51 PM
To: beny@onyx-suisse.com; Asher Avidan; eduardo.ledsham@vale.com; ricardo.saad@vale.com
Cc: daniela.chimisso@vale.com
Subject: Meetings with President Condé and Minister Traoré
Importance: High

Dear all,

Ricardo Saad, Ibrahim Touré, Maître Mohamed Doumbia and I had yesterday a meeting with President Alpha Condé and Minister of Transportation Ahmed Tidiane Traoré. Right afterwards, we had a meeting with the Minister of Transportation, his chief of staff and two other officials from the Ministry of Transportation. Below, you will find a summary of those meetings.

Given the importance of the issues raised by the President, they were included in the agenda of the meeting that is going to take place next Monday in Rio.

Best regards,
 Marcio

Short summary of the meetings with President Alpha Condé and Minister of Transportation Ahmed Tidiane Traoré

- President **Condé refused to sign the "Protocole d'Accord"** regarding the rehabilitation of the Conakry -Kankan railway.

- President Condé claimed that he will not sign any final document before the new Mining Code is issued and there is an agreement between the two parts regarding how much the initiative is going to cost and how long it is going to take. However, Minister Traoré later said that we would reach an agreement before the February 22 Groundbreaking Ceremony.

- President Condé emphasized that there are three aspects of the proposed document with which he does not agree: the price (US\$ 1,7 billion), which he considers too high (**"We need to have a final budget that is way lower", said Condé**), the time needed to carry out the engineering study (10 -12 months), which he considers unacceptable (**"You are not dealing with illiterate people", said the President**), and the use of the military as construction workers, which is going to lower the costs.

- President Condé compared BSGR to Rio Tinto and asserted that both of them should receive the same kind of treatment from the Guinean government. Moreover, he said that he is going to claim 50% of the money that BSGR received from Vale (**"It is inconceivable that people get rich thanks to assets that should belong to the Guinean people", asserted the President**).

- President Condé said Vale has nothing to do with it, but BSGR is going to have to pay the price for not respecting Guinean laws. According to him, BSGR should have informed the Guinean government that it was negotiating its rights and concessions with Vale.

- President Condé affirmed that the new Mining Code will probably be published by the end of March and **that the Guinean government is going to own at least 33% of all mining projects in the country** .

- President Condé asserted that all deals signed before his government that do not privilege the interests of the Guinean people will be revised and its terms will be amended. He looked at Mr. Touré and told him to be careful because now he is now dealing with people who love Guinea, not with people who only think about their own interests (**"You are not dealing with Thiam anymore!", said Condé**).

- President Condé ensured that we are going to reach an agreement. In order to do so, he is expecting an expert in rail construction to arrive in Conakry in the next few days, so he is going to deliver his estimation of how much the rehabilitation of the Conakry-Kankan railway is going to cost (**"We are going to put your number against the one of the expert we hired, and will negotiate from there", said Condé**).

- President Condé accepted to have the Groundbreaking Ceremony on the 22nd of February (**"We will eventually reach an agreement"**). He said it is very important that the Brazilians do the work in Guinea and that it is important that the deal is good to both parts. He favors deals with Brazil, China and India, but Brazil is his preferred partner (**"The South-South cooperation is very important to us, and Brazil is our preferred partner because the Chinese economy may overheat, whereas Brazil has a very stable economy"**).

- President Condé praised the fact that former President Lula is coming to the Groundbreaking Ceremony (**"I'll receive him in my house for dinner on the 21st"**).

- Minister Traoré said that he has never seen the **"Convention de Base"** and that he did not know that VBG had to finish the rehabilitation of 50% of the Transguinean by the end of 2012.

- Minister Traoré reiterated that Brazil is President's Condé preferred partner.

- Minister Traoré acknowledged that the US\$ 1 billion that VBG should pay for the rehabilitation of the Transguinean may not be enough and **suggested that BSGR may have to pay due to the money it owes to Guinea** due to the sale of its rights and concessions to Vale.

- Minister Traoré insisted that it is strange that VBG started the works of the rehabilitation of the Transguinean before having a final budget.

- Minister Traoré said the standard pattern is the one used throughout the world nowadays and the metric one is something that was used "last century".

- Minister Traoré did not know VBG has the Zogota concession. **He asserted that the US\$ 1 billion needed to rehabilitate the Transguinean are nothing compared to all the money that VBG is going to make** with the Zogota concession.

- Minister Traoré asked to receive a copy of the "Convention de Base", which he told us he had never heard of.

- Minister Traoré insisted that the negotiations will be based on the estimation that is going to be given to the Guinean government by the expert who is coming to Guinea in the next few days.

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