



Simandou: construction en cours...



... d'un pont vers la prospérité

Simandou 2040: un pont vers la prospérité

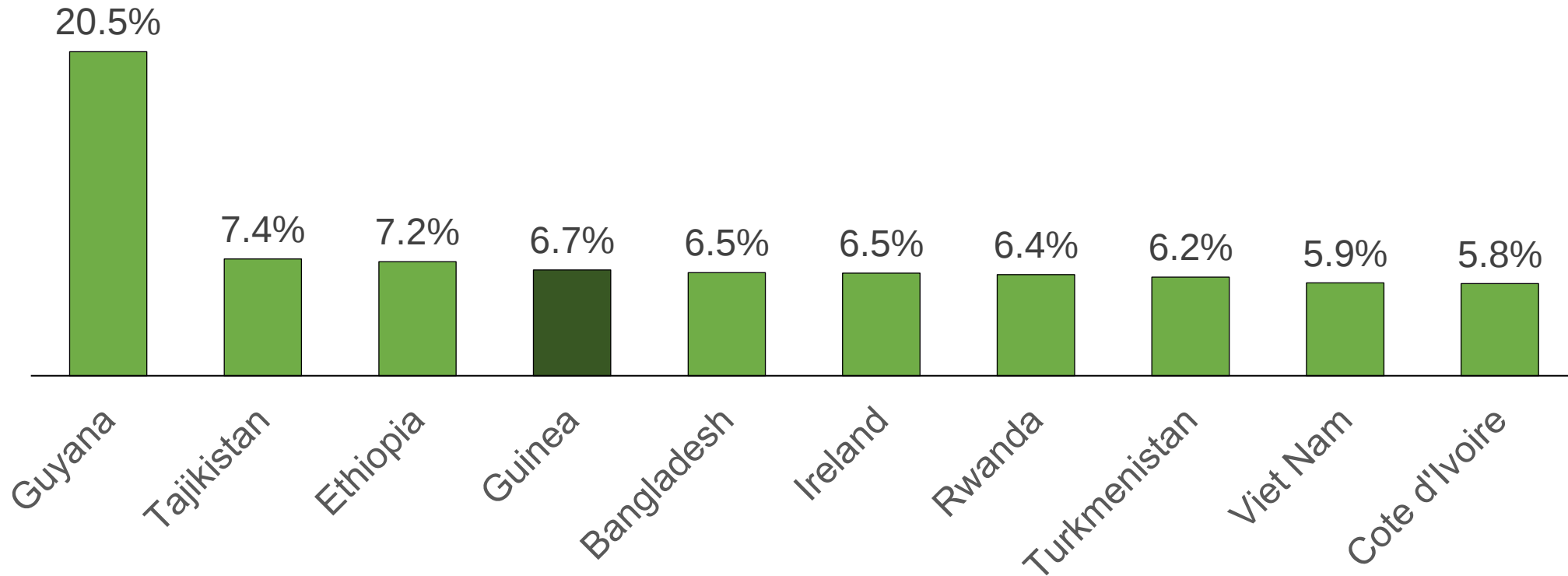
Quelques réflexions de septembre 2024

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Toutes ces diapositives ont été publiées sur LinkedIn au cours du mois de septembre 2024 à <https://www.linkedin.com/in/bernabesancheznaffziger>

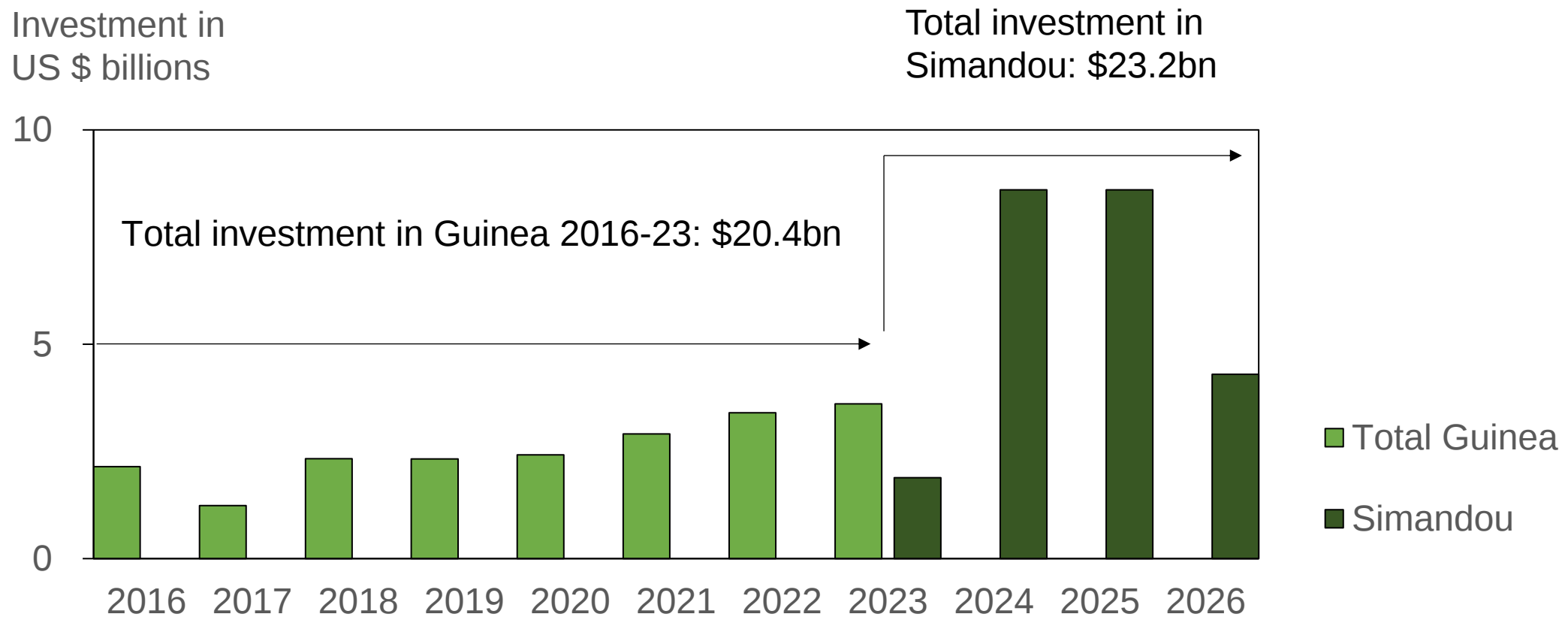
Guinea has been the fourth fastest growing economy globally since 2016 driven by the mining sector

(Average GDP growth
p.a. 2016-23)



Source: World Development Indicators

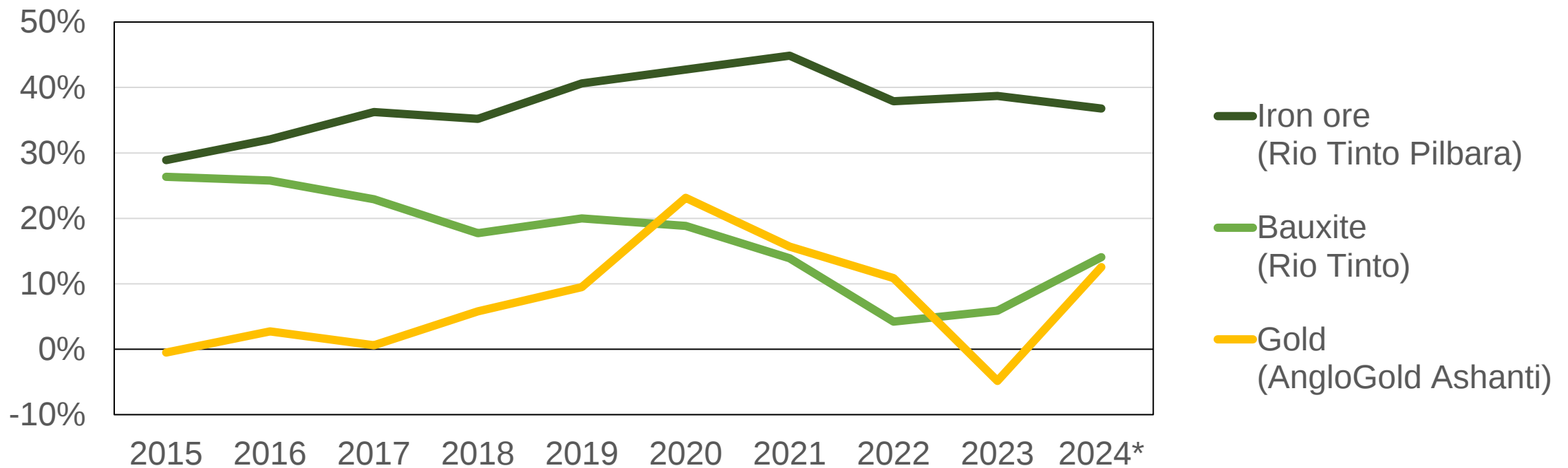
Simandou is different because of its scale: capex larger than the sum of all other investment since 2016



Sources: Total investment from IMF World Economic Outlook April 2024; Simandou based on assumption WCS costs equal Rio Tinto's published estimate of \$11.6bn for Simfer

It is different because of its market: iron ore historically delivers better margins than bauxite and gold

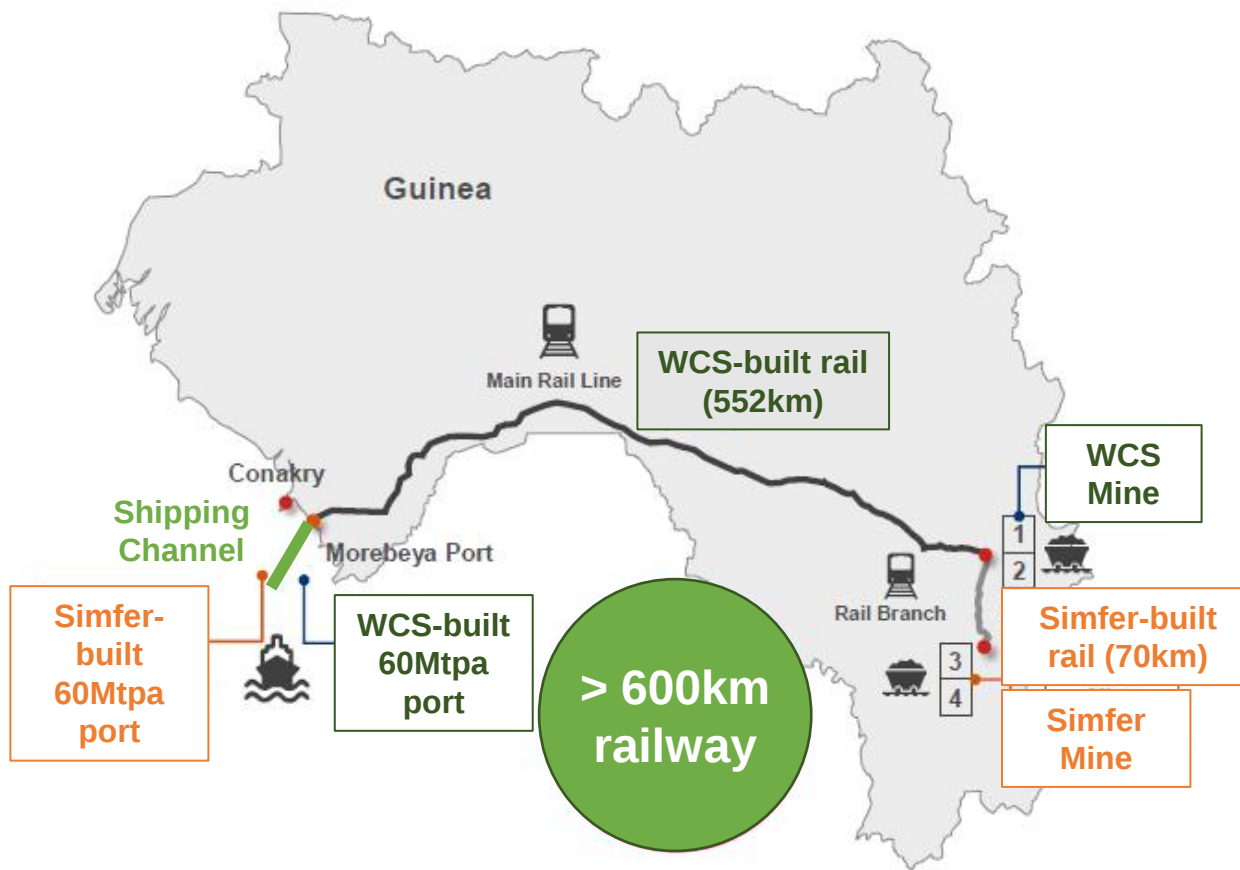
Underlying/Headline
earnings margin



Sources: Rio Tinto and AngloGold Ashanti annual results, various years

* 2024 refers to first six months

It is different because of its footprint: the first mining project to impact all four regions of Guinea



Mines in Beyla (Guinée Forestière) and Kérouane (Haute-Guinée)



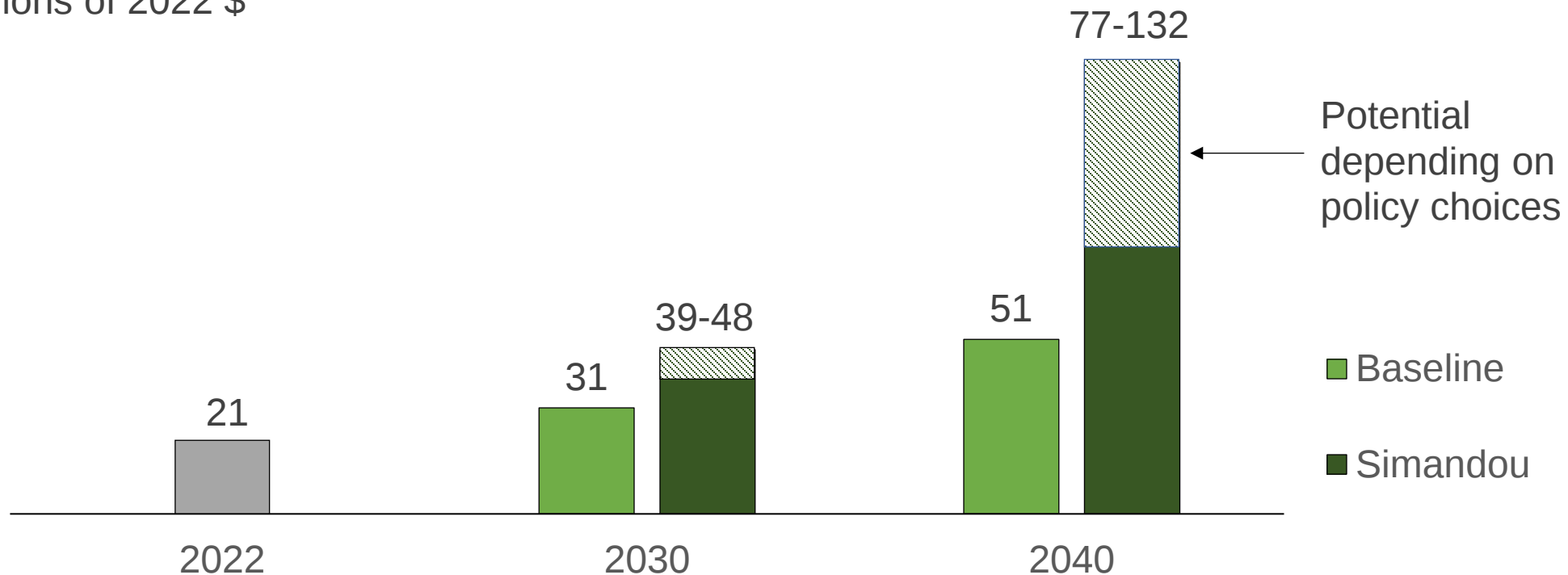
600km railway across primarily Haute- and Moyenne-Guinée



120 million tonne port in Forécariah in Basse-Guinée

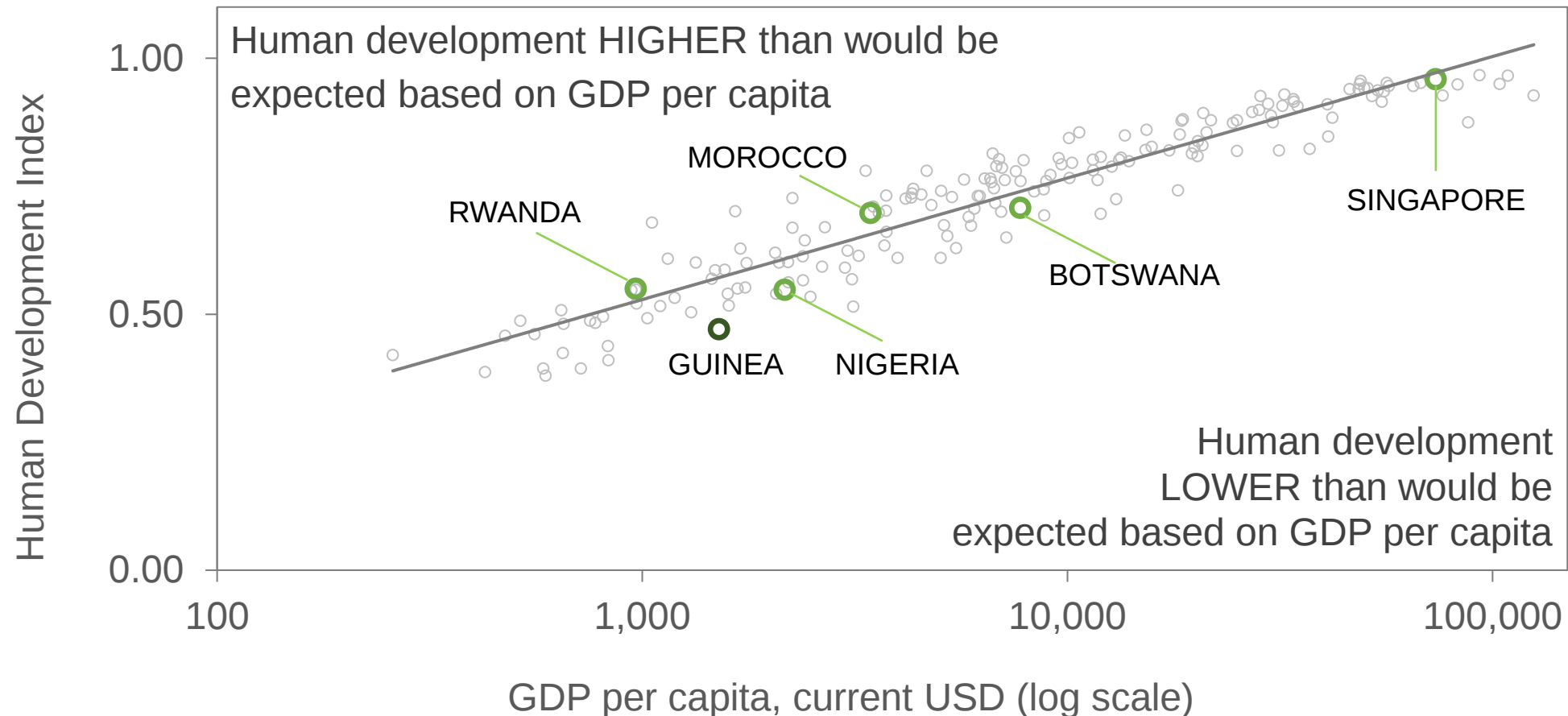
Simandou presents an opportunity to multiply by six Guinea's annual GDP by 2040 according to the IMF

Estimated GDP of Guinea
in billions of 2022 \$



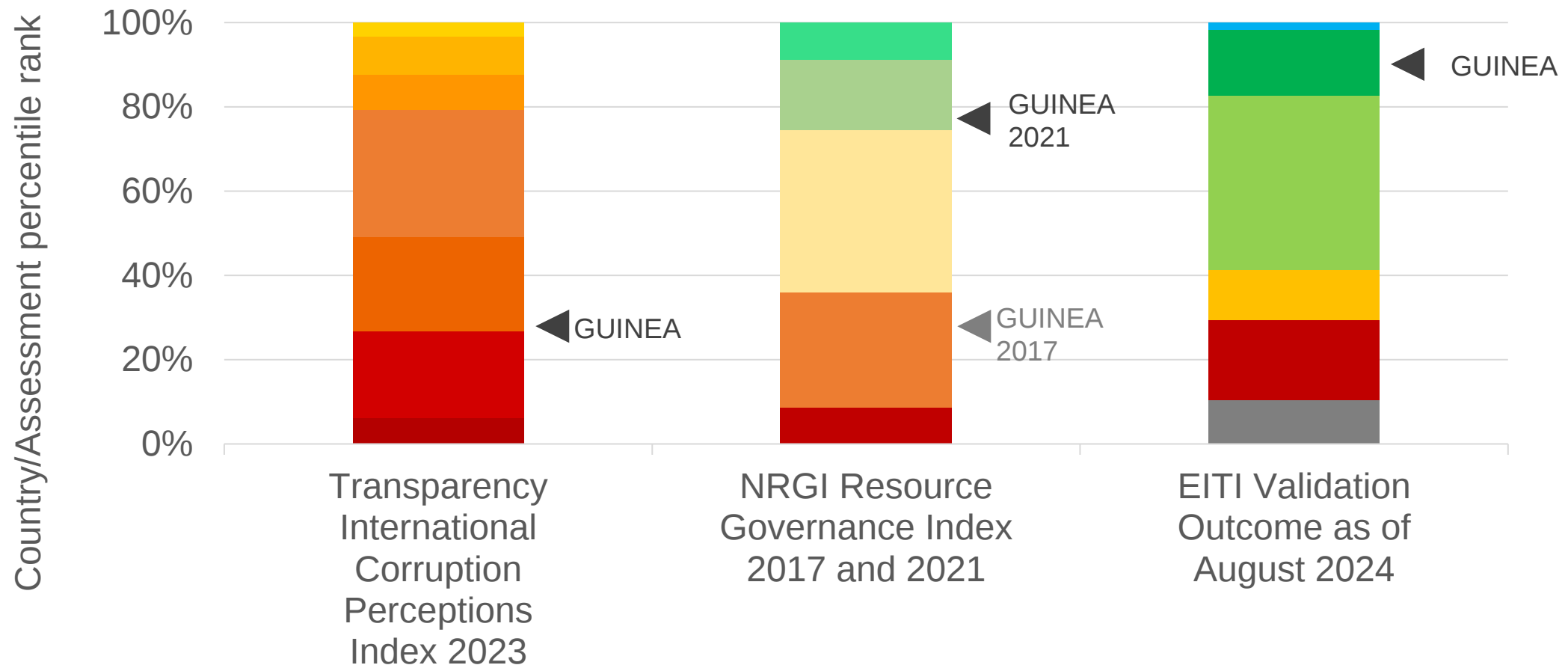
Source: IMF 2024 Article IV Staff Report for Guinea

The challenge will be to translate that economic growth into human development



Source: UNDP Human Development Index and World Bank World Development Indicators

Recent progress on governance is the foundation for maximising Simandou's impact



Source: *Transparency International, NRGI, EITI*

Local content through procurement and employment already boosting the economy



First cohort of 89 students graduates from the railway studies programme at the University of Conakry

The 2022 local content law stipulates a minimum 40% procurement sourcing from domestic firms.

40% of costs at peak construction is worth over 10% of current GDP.

40% of costs during operations is worth about 5% of current GDP.

The 2022 local content law also has targets for national employment across four skill categories.

Shared-use infrastructure along the mining corridor should provide an agricultural productivity boost



Simandou rail and port infrastructure is committed to being shared-use.

In 2019 the Carajás 200Mtpa iron ore shared railway in Brazil transported:

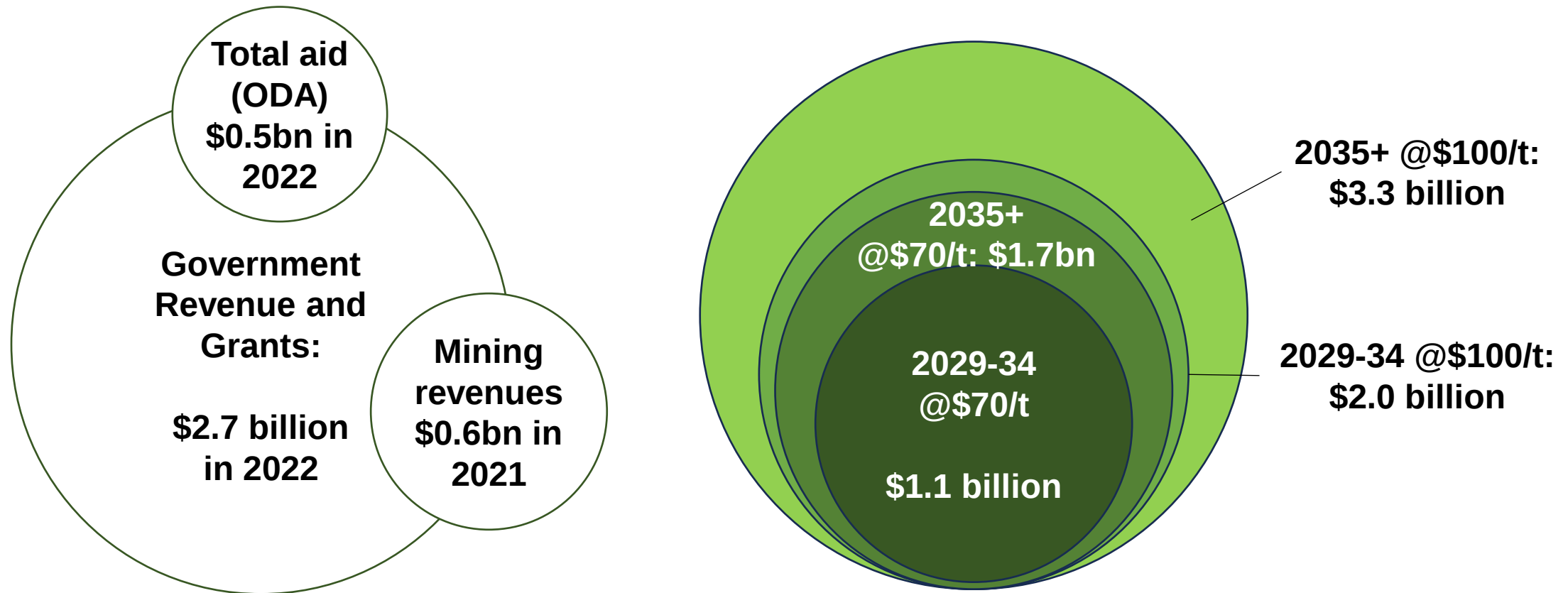
- 9 million tonnes of agricultural exports (soybeans, corn, pulp).
- Nearly 2 million tonnes of fuel and fertilizer imports.
- Almost 300,000 passengers.

Guinea's agricultural productivity gap relative to Cote d'Ivoire is equivalent to 15% of current GDP.

Source: Columbia Center for Sustainable Investment (2020), *Shared-use Infrastructure Along the World's Largest Iron Ore Operation: Lessons Learned from the Carajás Corridor*

Annual government income from Simandou has the potential to exceed current total revenues

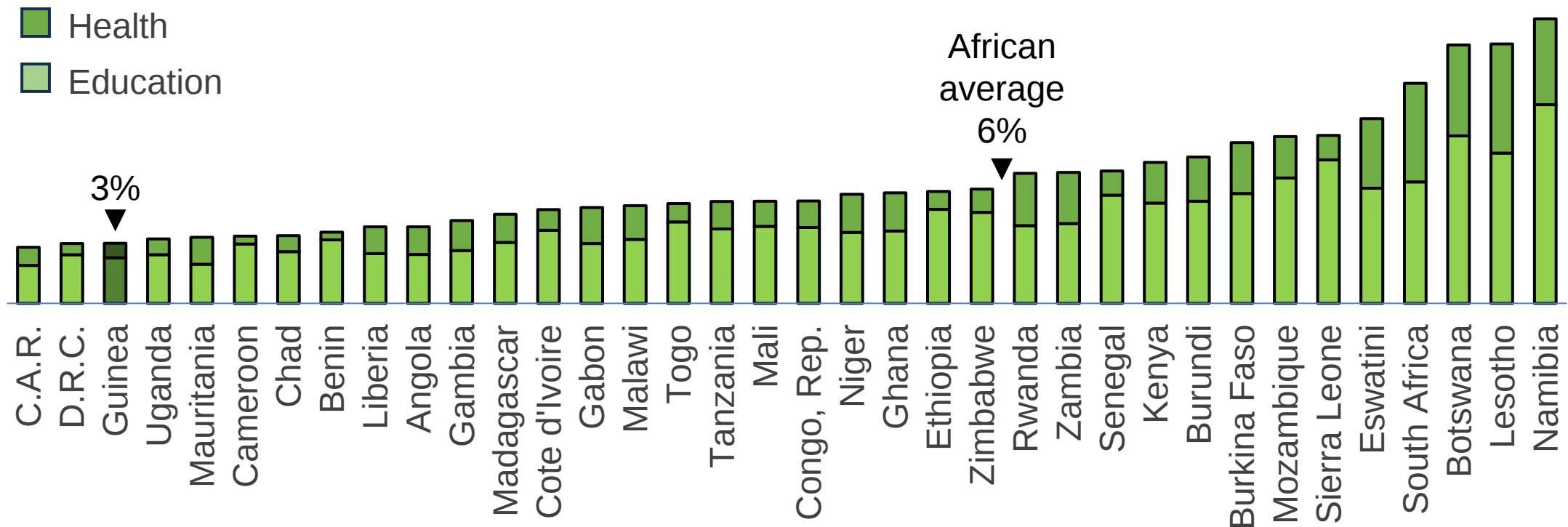
Government annual income from Simandou



Source: IMF World Economic Outlook April 2024 for Government Revenue, OECD Data Explorer for Aid (ODA) disbursements, EITI Guinea 2021 Report (published December 2023), author's calculations

Additional revenues should allow Guinea to close its gap in health and education spending

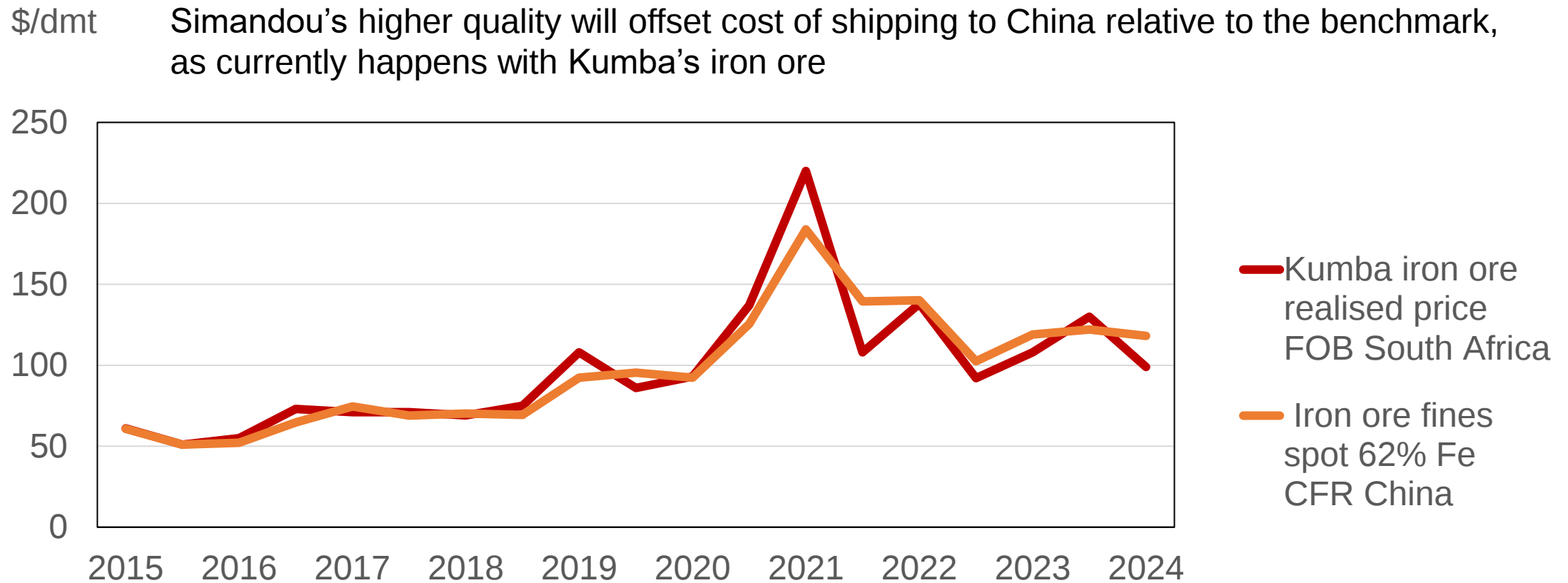
Government expenditure
as % GDP 2016-22 on:



Source: World Development Indicators data to update chart from IMF 2023 Article IV Staff Report

Annex: calculating Simandou's fiscal impact

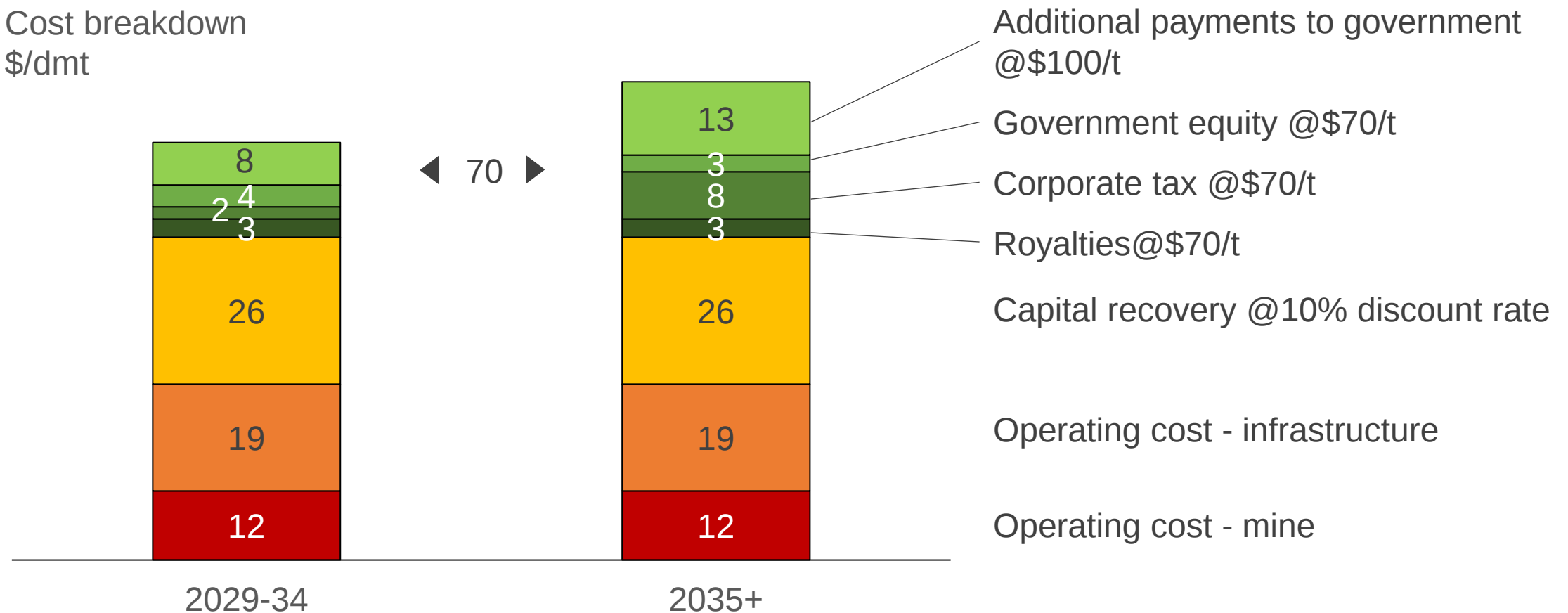
Iron ore prices have averaged ~\$100 per tonne over the past decade



Sources: World Bank's "Pink Sheet" Data, AngloAmerican's Kumba Iron Ore Financial Results

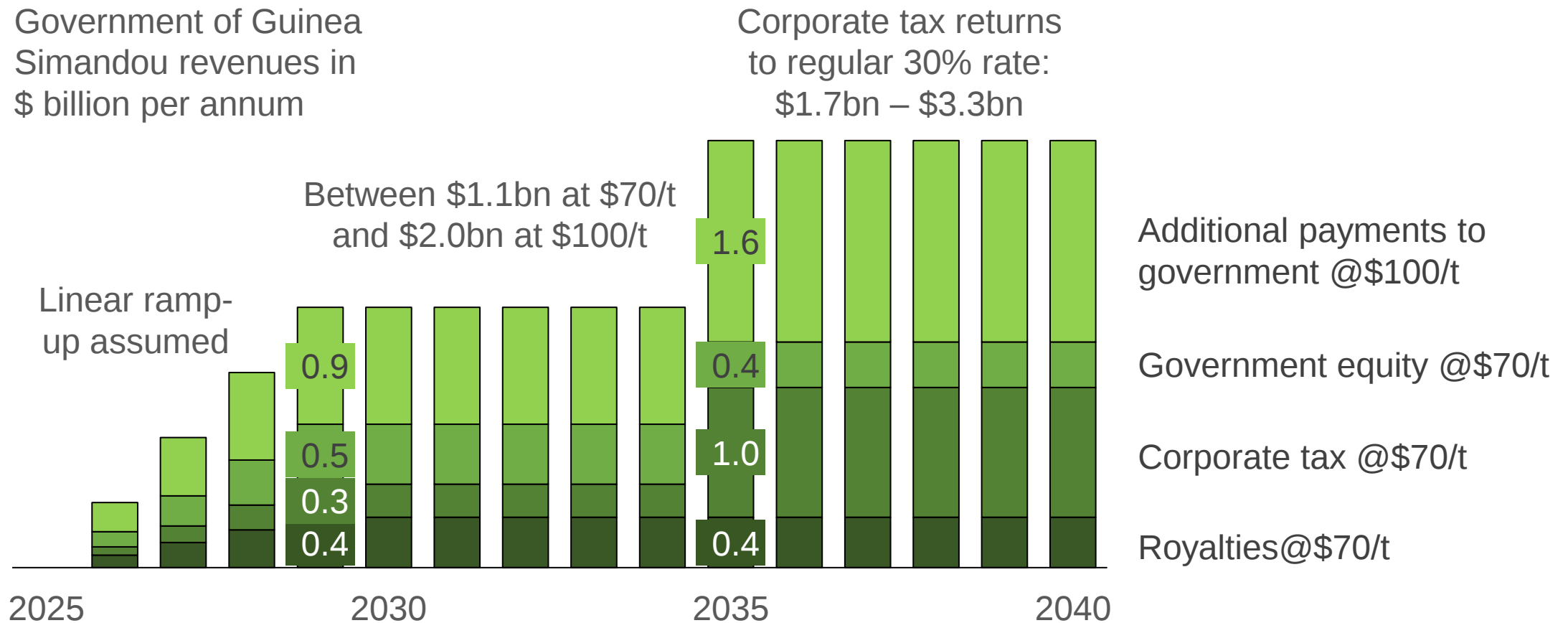
Cost of capital invested is recovered at an average price of ~\$70/dmt throughout the life of mine

Cost breakdown
\$/dmt



Sources: Rio Tinto Investor Seminar December 2023, Winning Consortium Simandou Mining Exploitation Convention 2020 accessed at resourcecontracts.org, author's calculations

Production ramp-up, iron ore prices and short term corporate tax concessions drive government income



Sources: Rio Tinto Investor Seminar December 2023, Winning Consortium Simandou Mining Exploitation Convention 2020 accessed at resourcecontracts.org, author's calculations

Quelques réflexions suite à une visite au Fouta Djallon

22-27 septembre 2024



NOTRE PARADIS!




BRANDING NATIONAL DE GUINÉE

www.guinee.gn

Les trois (3) Objectifs :

1. Investissement

Attirer les **investisseurs** pour accélérer le développement économique irréversible de notre pays.

2. Culture

Valoriser notre **culture**, les valeurs de nos ancêtres et la beauté de notre pays.

3. Tourisme

Faire la promotion de la destination Guinée à travers le **Tourisme** pour le plus grand bonheur de nos concitoyens.

Investissement routier: le nouveau contournement de Mamou sur la route Coyah-Dabola

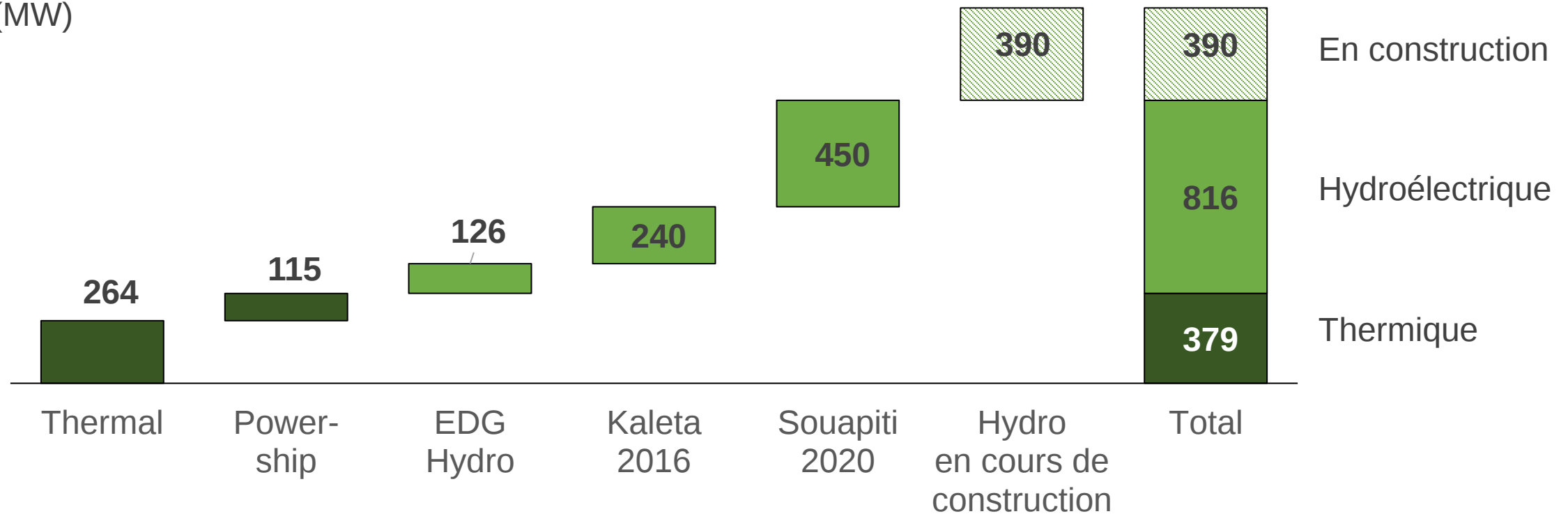


Investissement électrique: ligne de transmission de Linsan a Labé, une partie du projet OMVG



La puissance installée est en train de quadrupler au cours des 10 années écoulées depuis 2015

Puissance électrique
installée en Guinée
(MW)



Source: Banque Africaine du Développement, Country Priority Plan and Diagnostic of the Electricity Sector, Guinea 2021

Culture d'hier: la case à palabres à Dalaba, où l'Indépendance a été évoquée pour la première fois

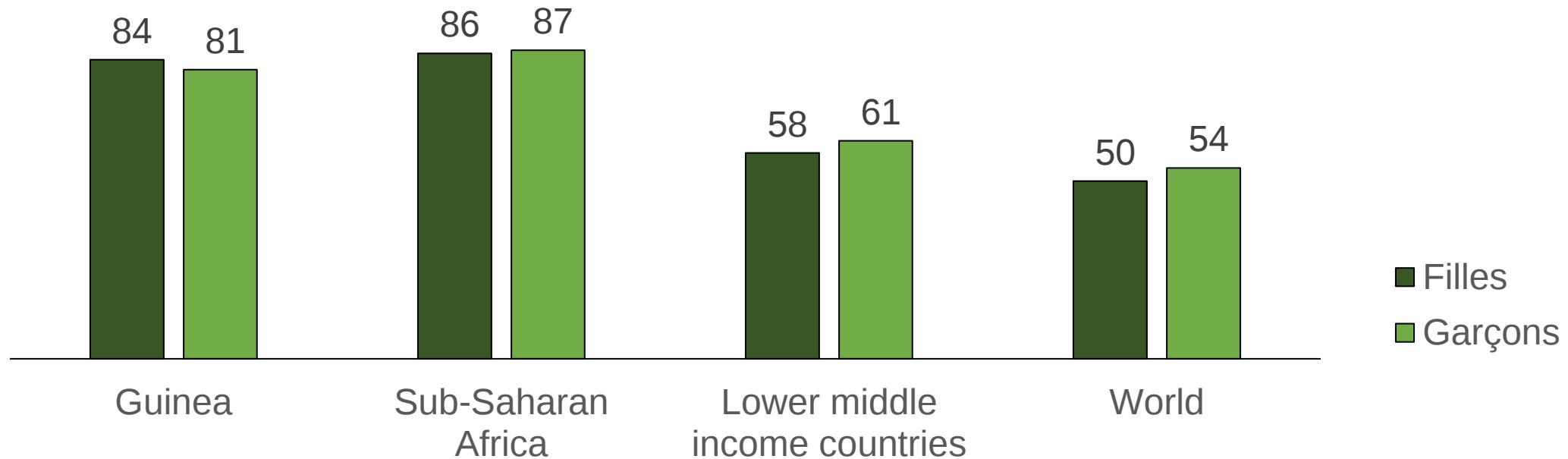


Culture de demain: le nouveau Tech Hub a l'Institut Supérieur de Technologie de Mamou



La culture de demain nécessite une amélioration du niveau d'éducation des filles et des garçons

Pauvreté éducative : % d'enfants à la fin de l'enseignement primaire n'ayant pas atteint le niveau minimum de maîtrise de la lecture



Source: Banque mondiale, Guinea Gender Landscape publié avril 2024

Tourisme: la vue panoramique du Fouta Djallon depuis la terrasse de l'hôtel a Dalaba

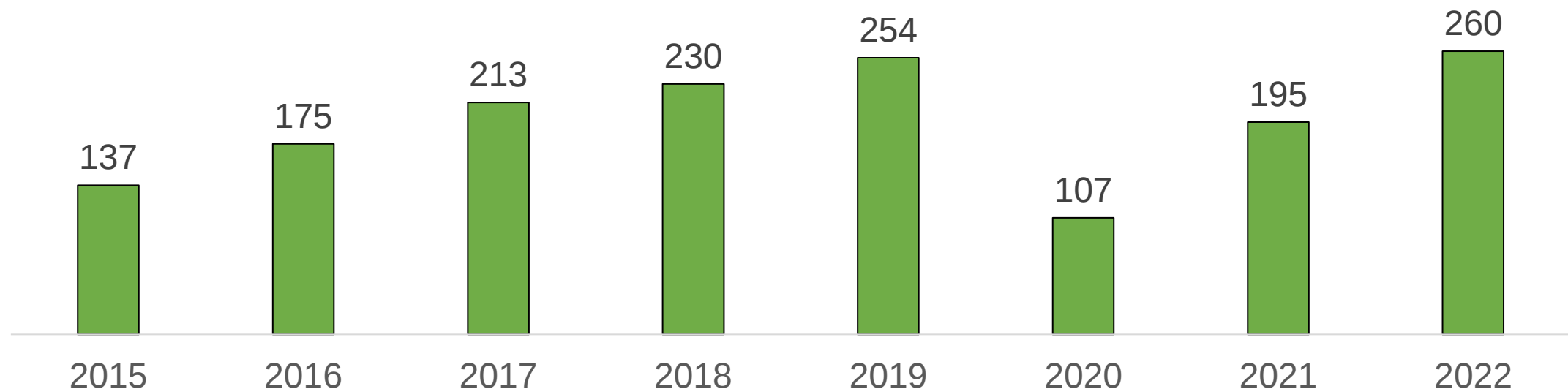


Tourisme pour profiter des paysages marqués par chutes du « Château d'eau » de l'Afrique de l'Ouest

***Pont de Dieu, proche
de Dalaba***

Les arrivées de passagers aériens ont rebondi après COVID pour atteindre des maximums historiques

Evolution du mouvement des passagers à partir de l'aéroport de Conakry (miles des arrivées)



Source: Institut National de la Statistique, Annuaire statistique 2022, Edition Décembre 2023

PROGRAMME

SIMANDOU



2040

Un **pont** vers la **prospérité** !