

# Guinea Special Analysis

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## TABLE OF CONTENTS

1. Introduction .....	3
2. Executive Summary .....	4
3. The 2010 elections .....	21
a. <i>Sagem Sécurité</i> .....	22
b. <i>Sabari Technology</i> .....	25
c. <i>The Presidential election and the first involvement of Waymark</i> .....	33
d. <i>The South African Connection</i> .....	40
e. <i>Waymark Infotech Ltd.</i> .....	43
4. Human Rights & Fundamental Freedom Violations In The Republic Of Guinea .....	49
5. President Condé and his Entourage .....	54
a. <i>Entourage Report – Insiders Mining Report – AMI</i> .....	54
i. <i>The Family Clan</i> .....	54
ii. <i>The Key Advisers</i> .....	54
iii. <i>Outside Backers</i> .....	54
iv. <i>The Public Sector</i> .....	54
v. <i>The Private Operators</i> .....	54
vi. <i>The Intermediaries</i> .....	54
b. <i>The Business of Aboubacar (Buba) Sampil</i> .....	55
6. President Condé and Private Investors .....	62
a. <i>Dren Newpan</i> .....	62
b. <i>Ivor Ichikowicz</i> .....	62
c. <i>Tokyo Sexwalle / Marc Wilcox</i> .....	63
d. <i>Walter Hennig</i> .....	64
e. <i>Och-Ziff / Daniel Och-Ziff</i> .....	68
<i>The Bankers:</i> .....	68
f. <i>Iain Hanam &amp; Lloyd Pengilly</i> .....	68
g. <i>Bernard Kouchner</i> .....	69
h. <i>François de Combret</i> .....	71
6. The Scandals Which Have Tainted The Guinean Mining Industry.....	74
A. <i>General</i> .....	74
B. <i>Map Of The Main Guinean Mining Projects</i> .....	74
C. <i>The CIF – Sonangol – Bellzone Scandal</i> .....	75
D. <i>The Palladino Scandal</i> .....	77
E. <i>The AIOG – Chinese Backdoor Scandal</i> .....	79
F. <i>The BTG Pactual Scandal</i> .....	82
G. <i>The RusAl Affair and Alpha Condé</i> .....	83
H. <i>The CBG Bauxite mining Scandal with Mubadala (UAE)</i> .....	85
7. Conclusion .....	87
<i>Used Acronyms</i> .....	88

## 1. Introduction

We are proud to submit the following analysis describing the deliberate actions taken by Alpha Condé and his close entourage, throughout the process of his presidential campaign in 2010 including the two rounds of the elections in becoming the president of the Republic of Guinea.

The analysis demonstrates Alpha Condé's relentless and premeditated efforts to seize full control of the electoral commission (CENI), the electoral registry through the election operators, and the overall electoral process in order to influence and guarantee the outcome of the Guinean presidential elections. To do so, Alpha Condé through his entourage received backing amongst benefactors from the South African Intelligence community (SAAS) and technical and financial support from the South African Government.

There is furthermore convincing evidence to infer that the same modus operandi will be followed for the upcoming legislative elections, which have been announced for the first quarter of 2013 despite the outcry by the Opposition parties against the aforementioned issues and irregularities.

Furthermore, Alpha Condé's joint efforts with his entourage, particularly his son, Mohamed Alpha Condé, to make significant private capital gains from Guinea's natural resources, notably by "flipping" Guinean mining assets and state participations at the expense of the people of Guinea remains an issue of great concern.

We were astonished by the amount of illegal actions that were identified. Furthermore, several suspicious activities were identified throughout our investigations, which need further examination. The illegal actions that were performed before and throughout the presidency by Alpha Condé and his entourage have furthermore increased in their level of sophistication over time.

## 2. Executive Summary

The way Alpha Condé seized presidential power in Guinea, is tainted by a pre-designed strategy put into action at the beginning of his political campaign for the presidency. To win the presidential elections from a meager 18.3% of the general vote in the first round, he needed to: control the National Independent Electoral Commission (CENI); ensure the powerful support of the incumbent President as Chief of Staff of the armed forces; and build an alliance with a strong foreign government with the financial and technical capacity to sway the process.

This is exactly what Alpha Condé, with the help of his son Mohamed and their protégé, Aboubacar Sampil, accomplished, prior and during the 2010 Presidential elections. Moreover, Alpha Condé's regime was shaped thanks to the economic and technological assistance from the South African government and its Secret Service, with the acquired support of the Electoral Commission (CENI) and through the backing of the incumbent President of the transitional government, Sekouba Konaté. Since seizing the reins of government in December 2010 President Condé, his son Mohamed and several of their close associates have been implicated in political and economic scandals, which have exposed the President's premeditated plans to flip back mining assets in return for the support of his benefactors while gaining significant personal wealth in the process.

The first part of this analysis has been divided into 16 distinctive allegations against President Condé and his entourage.

***1. Condé had planned the takeover of the presidency of Guinea through the: funding and technical assistance from South Africa; control of the Central Election Committee (CENI) and with the backing from the incumbent President Konaté.***

Prior to the first round of the presidential elections, Alpha Condé held two meetings in South Africa. The first meeting occurred in April 2010 with President Zuma, and the second a month later (May 2010) with the South African Secret Services, SAAS. In the later meeting Alpha Condé solicited technical and financial assistance to guarantee the results of the upcoming elections in Guinea in exchange for the promise to grant his benefactors with access to Guinea's mining assets. There is evidence that Condé's son Mohamed and his protégé Abubacar Sampil were actively involved in organizing these meetings and negotiations. One of the participants in these meetings is Mr. Hein Van Niekerk, a South African Intelligence Officer, who was introduced to Mohamed Condé via Abubacar Sampil. In order to provide his son with sufficient cover to conduct this secret mission, President Condé publicly announced that Mohamed, who

spoke better English, was helping him with the cooperation with South Africa. Opposition elements in Guinea, repeatedly, claimed that Mohamed Condé worked, in the past, for South African company “Waymark Infotech”, a company known to have been instrumental in winning the elections, a company that is strongly suspected to be a tool of the South African Secret Services, the SAAS.

Immediately after the meetings of Condé in South Africa, a team from Waymark, under the auspices of SAAS, arrived in Conakry in May 2010 to present to the CENI the Waymark system. After brief discussions, in late May 2010, the VP of the CENI, Mr. Louceny Camara announced that they had selected Waymark as the Technical Provider for the review of the electoral registry. An agreement was thereafter signed between CENI and Waymark in June 2010, the same month as the first round of the presidential elections.

One of the important achievements of the aforementioned trip to South Africa was raising \$50 million to finance the Government takeover plan. The money was ultimately transferred from a South African company named “Palladino”. \$20 million were designated for the acting President Sekouba Konaté to "handle" the opposition, \$10 million in return for the backing of the Army's Chief of Staff, and the rest to finance the presidential campaign of Alpha Condé. Several elements are behind this generous donation: ENRC 's Alexander Mashkevich (who had traveled personally to Guinea on several occasions) and the men behind Palladino, the South African politician and tycoon Mosima Gabriel "Tokyo" Sexwale and his South African business partner Walter Hennig. Before the elections a sum of \$25 million was thus delivered to Alpha Condé's and his people and the remainder \$25 million were transferred as a loan a few months following the winning of the presidential elections (in April 2011). The loan granted was understood to be a scheme in exchange for a 30 percent participatory stake in the future Guinean State Mining Company that was planned to be established following the announcement of a new mining code which would guarantee the State huge free participations (15% free carry) in all of the country's mining projects. An affair referred to nowadays as “the Palladino scandal”. For the South African benefactors this was a successful return on investment in exchange for the backing of Alpha Condé in his quest to seize the Presidency.

Alpha Condé's main objective in the first round of the elections (held in June 2010) was to prevent his main opponent Cellou Dalein Diallo, from achieving more than 50% of the vote, in order to make sure that a second round would occur. The secondary goal was to prevent another strong opposition candidate, such as Sidya Touré, from securing the second place. These goals were achieved with the help of Alpha Condé's political supporters inside the National Independent Electoral Commission (CENI), namely through the backings of the CENI VP, Mr. Louceny Camara.

Before the first ballot, the biometric data of some 462,780 registered voters (more than 10 percent of the electorate) was not processed. These voters therefore had to use their receipt to vote on the complementary list in the first round and were given non-biometric cards for the second round. After the first round held on 27 June 2010, the Supreme Court annulled no less than 900,000 votes, more than a quarter of the 3.3 million votes cast, because of procedural irregularities. Moreover, these included unsigned or inflated lists of results, transfer of polling stations, number of voters higher than the registered number etc. A post electoral evaluation revealed no less than 45 problems with the ballot<sup>1</sup>. As such, the participation rate fell from 77% to a nominal 52%. Irregularities were also hotly debated: The European Union electoral observation mission stated that some of the votes annulled by the Supreme Court were namely annulled on the grounds that they were not communicated were in fact available to the CENI but the court simply did not request their communication.<sup>2</sup>

Strikingly, in September 2010 (two months before the second round) Louency Camara, was sentenced to a year in prison. The primary charge and evidence found that Camara had deliberately confiscated the tallies of 109 voting stations in Conakry – areas of strong support for Diallo – which likely cost Diallo a win in the first round and weakened Sidya Touré to secure a position as second place for the final runoff. The CENI's actions combined with violence against supporters of his main rival Diallo ensured by the financial dealings with the Chief of Staff of the Army, ensured further the participation of Alpha Condé in the second round of the Presidential election.

Following the first round of the election, Condé, who had gained only 18.3% of the general vote (against Diallo who won 43.7%), activated the South African technical assistance strategy company, Waymark Infotech. Soon after, South Africa publicly announced it would help Guinea in its electoral process, free of charge. Condé's control over the CENI meant they managed to postpone the second round of elections for nearly four months and incorporated "Waymark Infotech" at the expenses of a different French company named "Sagem".

Sagem, funded by the European Union through the UNDP, was responsible up to that time for the computerized register and the production of voting cards, but the data collection for the register was done by the CENI through more than 900 census commissions operating across the country.

Following the first round of the elections, the political parties expressed strong mistrust in the electoral institutions. In addition to the real technical and organizational problems and their

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<sup>1</sup> See "elections presidential 2010. Rapports de Synthese" the Republic of Guinea, Ministry of Territorial

<sup>2</sup> Idem

interpretation and instrumentalisation, the new electoral register prepared by the CENI was hotly disputed.

In September 2010 (two months before the second round) a team of 6 engineers from Waymark Infotech arrived in Conakry, soon after a series of computer thefts plagued the CENI, de facto restricting the ability of OIF (Organisation internationale de la Francophonie) to effectively monitor the elections.

“Waymark Infotech” was selected even though it had previously been accused of illegal actions in Zanzibar in 2005, having added about 2000 fictitious civilians to the voter’s registration list and a similar modus operandi in the Democratic Republic of Congo (DRC) with 2000 Waymark Kits and apparently a case of millions of fictitious registered voters.<sup>3</sup> It was also not a UN approved technical supplier for national elections. Therefore it’s not surprising that after the second round of elections in Guinea it was discovered that in some areas there were more votes than the number of people registered. The period leading to the second round was also marked with heavy violence against the ethnical group “Peul”, supporters of the presidential candidate Diallo. Behind the violence was in part, President Sekouba Konaté head of the transitional government and his chief of staff. Sekouba Konaté’s actions during the elections raised suspicion that he acted in favor of Alpha Condé; and that he received money to do this. To improve his chances in the second round, Alpha Condé and his party the RPG, managed to rally to his side 12 minor candidates from the first round and he also gained the support of a candidate who came in fourth, Lansana Kouyaté (PEDN), who gained 7.04% in the first round. . They formed a coalition named Arc-en-ciel (rainbow coalition). Diallo got the support of Sidya Touré (UFR).

Alpha Condé (RPG) won the second round of elections with 52.5% of the vote. Cellou Dalein Diallo (UFDG) won 47.48%, this after he won 43.69% in the first round and had the support in the second round of Sidya Touré (UFR) who came in third in the first round with 13.02% of the vote.

Earlier in the day, both candidates claimed victory, with Diallo saying that he would not accept the CENI's provisional results until his complaints of election irregularities had been investigated. Moreover, Diallo’s UFDG party accused the Transition Authorities of deliberately having allowed Alpha Condé time to consolidate his coalition and mobilize his electorate and of organizing all kinds of frauds.

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<sup>3</sup> <http://www.cheikfitanews.net/article-communication-face-a-face-ceni-aprodec-a-propos-du-fichier-electoral-89514995.html>

After Condé was preliminarily declared the winner, some members of the Peul ethnic group (which largely backed Diallo) rioted, barricading roads and destroyed homes and businesses of some Malinkes whom supported Condé.

On 18 November 2010, the military declared a state of emergency. Nouhou Thiam, the armed forces chief, read the decree on state television which prohibited civilians from congregating in the streets, while only the military and security personnel would have unrestricted movement. He said the decree would be enforced until the Supreme Court would declare the final certified results, which was to occur before November 24.

Condé was nominated as president on the 21<sup>st</sup> of December 2010.

Upon taking power, Condé seized control of all government institution and particularly the army and the Mining industry. For the latter he appointed Mohamed Lamine Fofana as Minister of Mines and Geology. At the same time he appointed his Nephew Guillaume Curtis as Secretary General of the Mines Ministry to control and monitor minister Fofana.

The President appointed his son Mohamed as advisor (with special emphasis on matters related to South Africa) and gave him an office on the left side of the ground floor of the Presidential palace, an office that Mohamed shared subsequently with Abubacar Sampil (Buba) a good friend and family protégé.

The new Condé administration fooled the international community by pretending to clean up the image of a new administration while ushering in a new era of transparency and good governance. President Condé cunningly fooled Tony Blair and his Africa Governance Initiative (a move Blair regrets today). Condé also solicited the help of Billionaire George Soros and his legal advisors, particularly Revenue Watch, to formulate a new mining code, which he would then use for his own benefit in his negotiations with miners and in order to flip assets to his benefactors from South Africa.

While trying to portray to the world this new cleaned up and democratic image, President Condé utilized the acquired legitimacy of public figures such as Tony Blair and George Soros to pursue discretely his plans to accumulate personal wealth through the wheeling and dealings of his closest entourage, coordinated by his son Mohamed.



***2. President Condé failed in his plan to allocate chunks of Guinea mining industry to his South African benefactors.***

Just three months after taking office President Condé initiated his planned promise to pay back his South African benefactors. In March 2011 he signed an MoU with South African Business man Walter Hennig giving his company 'Floras Bell Ltd' a Right of first refusal in the New Guinea Mining Company – The Mining Heritage Company (Societe du Patrimoine Minier Guineen – SPSH) better known as "SOGUIPAMI" which would only effectively be established 5 months later in August 2011. Mr. Hennig managed this process, representing his partners amongst others the politician and business man Tokyo Sexwale (Minister of Human Settlements in South Africa) and silent partners such as Och-Ziff Capital and allegedly individuals connected to ENRC such as Alexander Machkevicz.

Sexwale is however believed to be the initiator behind two British Virgin Island corporate vehicles, Palladino Holdings and Floras Bell, which are operationally managed by Walter Hennig. In April 2011 Walter Hennig concluded a secret deal with Alpha Condé to transfer billions of dollars of mining assets belonging to companies such as BHP Billiton and Rio Tinto to the South African intermediary special vehicle Palladino Capital. The deal comprised of a loan of US\$25 million granted to the Guinean government to supposedly finance the start-up of the New Guinean state mining company. Behind Walter Hennig and the US\$25 million loan agreement, were Sexwale; Mark Willcox (the chief executive of their joint Mvelaphanda Group), and several other businessmen of South African, Polish, and British extraction. The deal was signed by the Guinean finance minister, Kerfalla Yansane, the Mining Minister Mohamed Lamine Fofana and Samuel Mebiane, who was listed as a "proxy holder" on behalf of Palladino. This loan of US\$25 million was never been transparently or publically revealed to the Guinean people or international institutions such as the World Bank and the IMF, nor was it declared in the national Guinean budget. The cash allegedly disappeared from the radar and was strangely not under any voiced scrutiny by the central bank, the finance or the mining ministry's. The terms of the loan included a default clause, which gave the lender, Palladino, a juicy 30 percent stake in the New Guinea State Mining Company. A thirty percent share is especially significant given Guinea's new mining code engineered by advisors billionaire trader George Soros and Palladino's South African owner Walter Hennig. The code was adopted in September 2011 (5 months after the signing of the Palladino loan). The New Code gave the state mining company the right to take 15% free carry shares in every mine in the country free of charge, plus an option to acquire a further 20% at market rates. That meant foreign mining operators forfeited billions of dollars in assets and potential profits while being further penalized with much higher

royalties (for iron ore it was simply doubled by basing the calculation on LME price of steel rather than the FOB price of iron ore) and an additional higher 8 percent customs tax.

Alpha Condé also quickly announced he would set up a commission to review deals struck during the chaotic days between the end of dictatorship in 2008 and his coming to power.

The exposure of this scandal shocked the mining industry, international organizations such as the IMF and the IFC and the Guinean people. Specifically, this scheme was in complete violation of the Mining Code, open bidding processes, good governance and transparency.

***3. President Condé lead a systematic program aimed at terrorizing big companies to squeeze from them hundreds of millions of dollars in compensations and get them to “voluntarily” give up parts or all of their assets.***

Condé lost no time when he came to power and parallel to his involvement in the Palladino loan he quickly needed assets to feed his newly formed Mining Company, SOGUIPAMI. Condé therefore masterminded a scheme to bully three large operators in the country. By setting up a review commission he publically threatened, through the Minister of mines' statements and letters, to forcefully renegotiate (or nationalize) three of the large projects which he alleged were signed under improper conditions. The projects targeted were, Vale BSG Resources' concession on Simandou, RusAl's acquisition of the Friguia alumina refinery and lastly, Hyperdynamics and their rights to nearly a third of Guinea's offshore oil blocks. Simple nationalization or expropriation was however not an applicable legal avenue from a public relations perspective for his a Guinea “investor friendly” image, so Alpha Condé turned to the strategy of intimidation of these companies to get them on their knees, to agree to a settlement agreement in which they would agree to pay hundreds of millions of dollars in compensation and willingly accept to give up part of their assets which Condé then as promised could flip to his aforementioned benefactors.

As a precedent, in April 2011, the Condé administration and Rio Tinto reached an early agreement in which Rio Tinto accepted to settle its legal disputes with the Guinean authorities, and was accordingly allowed to pursue its development plans on Blocs 3 & 4 with its JV partners in Simfer SA, Chinalco and the IFC. The Settlement Agreement comprised of a \$700 million payment to the government and a rights transfer to the government of up to 35% shares in the \$10 to \$20-billion project. Rio through Simfer SA, pledged to build an export route across Guinea in partnership with the Government. The route, to be built with the government owning 51% of the infrastructure company, would mean constructing almost 700 km of rail, 35 bridges

and a jetty of about 11 km. Rio announced commercial production would start in 2015, though it is still awaiting government decisions on the financing and logistics.

To deal with the ethical or governance concerns, Rio's \$700m Settlement payment is understood to have been directly made to the Guinea's State Treasury. Transparency advocates however contend that the utilization of the \$700m payment has been kept out of any formal and transparent scrutiny. A senior official in the Ministry of Finance recently even stated to a Guinean newspaper in March 2012 that: "everything leads us to believe that this sum was diverted by President Alpha Condé and his family because, to date, no penny of this huge sum was accounted for."

At the same time In April 2011 Condé went after RusAl using a report commissioned in January 2010 from the American company Alexander Stewart International (ASI). Condé threatened to nationalize the Friguia alumina refinery (Allegedly purchased for an undervalued amount, RusAl had paid \$19-million in 2006 for the refinery) and demanded RusAl pay almost USD 1 billion in compensation for loss of revenues linked to the privatization of Friguia in 2006.

In September 2011 President Condé signed an agreement with RusAl for the debt based on the findings of the audit conducted in 2010 by Alexander Stewart which estimated that the Russian group's failure to honor its promises had cost Guinea \$836million. The deal regarding the \$836m was organized through Mohamed Condé with the help of Aboubacar Sampil who enjoyed a personal relation with Pavel Vassiliev from RusAl. In the meantime, apparently Oleg Deripaska provides President Condé a private jet to use in his international travels. The fate of the Friguia alumina refinery is still not clear. There were claims that Condé wanted to sell the refinery to the UAE without any bidding process. The Friguia alumina refineries acquisition in 2006 is still under review.

At the end of 2012 Alpha Condé made contact with the Russian authorities and investors to invite them to Conakry for a meeting on February 14th 2013. The Russian delegation to Guinea will be led by foreign minister Sergei Lavrov, a friend of the Guinean leader. The Russian is to include the chief executive of UC RusAl, Oleg Deripaska with whom Guinea signed a clause modifying the work timetable for developing the huge Dian Dian bauxite and alumina project just before Christmas.

During his stay in Conakry, Lavrov will also examine the possibility of resuming operations at the alumina refinery at Frigula that has been idle for the past nine months as the result of a strike and of the Russian group's cash problems. There will also be question of protecting Russian investment in Guinea. It can be recalled that the firm Alex Stewart International concluded in a report submitted on Jan. 13, 2010 that UC RusAl should pay USD 1 billion in compensation for loss of earnings linked to the privatization of Friguia in 2006.

At the end of 2012 Guinea continued exerting pressures on the three projects aforementioned by sending letters drafted by lawyers of George Soros on behalf of the Government and its ad hoc Committee for the Review of the Mining Contracts, which bullied the three companies with outrageous allegations and accusations, in order to bring the companies to their knees and agree to a Settlement on the terms of the Government. Alpha Condé seemed more than ever in a hurry to secure cash injections and shares for his personal commitments and benefactors plans. Interestingly, **these pressures were once again announced and pursued closely timed with the announcements of the legislative elections.**

As far as the governments accusations raised by the Technical Comitee's letter which appear in the press, and target BSGR specifically, this last company publically denies the accusations in a press release and announces it intended to rebut them strongly and defend their legal rights.

In addition, several independent legal reports appeared to claim that the process instigated by Alpha Condé through the technical review process were illegal and against due process, the mining code of the country and the Guinean constitution, but this didn't seem to deter the Government from it's "negotiation strategy".

Thus, in parallel to the process announced publically by the government regarding the accusations, the President Alpha Condé, send several intermediaries to try to "negotiate" deals behind the scenes with the three aforementioned companies: Vale BSGR, Rusal and Hyperdynamics. One such intermediary was the Head of the Technical Committee, Nava Toure, which seemed to deliver a troubling message to the investors as he enjoyed the powers of judge, negotiator and prosecutor all at the same time.

Regarding Rusal, Vale BSGR and Hyperdynamics, the Government started intense negotiations at the end of 2012 in order to fill the coffers with Settlement Fees that would benefit the Government, and the President and his entourage personaly, while enabling the usual benefactors in the background to attain their objectives of seizing assets. The government negotiations with these companies are still ongoing.

More generally, on the 18th December 2012 the Mines Minister Mohamed Lamine Fofana said that more than 75% of mining permits granted by Guinea before 2011 were inactive, and should therefore be cancelled.

***4. President Condé's son Mohamed and his protégé Aboubacar Sampil sold part of an asset belonging to the people of Guinea to a UAE business entity.***

Mohamed Alpha Condé, son of President Condé has taken a keen interest in the Compagnie des Bauxite de Guinee (CBG) since his father became President. In the past the Guinea government held a 49% stake in CBG alongside its partner Halco Mining (a JV between Alcoa and Rio Tinto Alcan) which owns the remaining 51%.

In December 2011 - Mohamed Alpha Condé and his partner Aboubacar Sampil took part in negotiations to sell 23% of the CBG bauxite company to a UAE State Company in the Arab gulf.

The Minister Mohamed Lamine Fofana and Waleed Al Mokarrab Al Muhairi, Director of Operations of the Mubadala Development Company (MDC) from the UAE, signed a framework agreement selling up to 23% of the government owned share capital in CBG to MDC industry holding company LCC.

This shady initiative instigated by Mohamed Condé without the knowledge of the other shareholders, provoked anger among Alcoa and Rio Tinto Alcan which together controlled the 51% of CBG through Halco. Ultimately resistance of these shareholders seems to have prevented the share transfer to MDC.

However, in November 2012, the Compagnie des Bauxites de Guinee (CBG) signed another long-term supply agreement with the United Arab Emirates for bauxite, the main raw material in aluminum. Though CBG did not report the duration or value of the contract, which was concluded with the Emirates' investment fund Mubadala Development Co, the Guinean Mines Minister Mohamed Lamine Fofana was quoted as saying at a signing ceremony in Abu Dhabi that the deal would add \$500 million to Guinea's gross domestic product.

***5. The new state mining company SOGUIPAMI indirectly transferred part of Guinea shares in the Simandou Infrastructure JV with Simfer SA and the IFC to Chinese companies.***

SOGUIPAMI was finally established in August 2011 and Ahmed Kante, a former mines minister was appointed the CEO of the State Mining Company. It didn't take long before the new State Mining Company entered into partnership with AIOG (African Iron Ore Group Limited) without any formal or transparent bidding process. The connection between AIOG and Mohamed Condé was facilitated through Arnaul Houndete. A delegation headed by AIOG President, Ethelbert Cooper, arrived for discussions in Conakry. In the delegation was also M. Bother, Vice President of Standard Bank in South Africa (25% owned by ICBC from China).

AIOG and SOGUIPAMI formed in December 2011 a joint venture company named IMG (Infrastructures Minières de Guinée Holdings Ltd), SOGUIPAMI would own 60% and AIOG would own 40% of IMG. SOGUIPAMI and AIOG would work together within the framework of IMG in

the development and the financing of infrastructure for the Simandou iron ore mining project. IMG was the joint venture company that would own the Government of Guinea's 51% interest in SPV Simfer, the special purpose vehicle that would build, to operate and own the associated infrastructure, including the railway and deep-water port, for the Simandou South iron ore mining project. Rio Tinto, Chalco and the International Finance Corporation would each have interests in the remaining 49% of SPV Simfer. Each of the shareholders in SPV Simfer was expected to fund the cost of the infrastructure pro-rata to their shareholding. The Minister of Mines and Geology Mohamed Lamine Fofana, was the chairman of IMG.

Thus, it is quite likely that the calculation of the ownership structure at Simandou South in blocks 3 and 4 would be as follows in the future: GOG: 35% RT: 31.49%, Chinalco: 30.26% and IFC 3.25%

Newco, Simfer SA, would own 51 percent. The division would be as follows: 60% SOGUIPAMI and 40% to AIOG.

Strikingly, at the time of the deal between SOGUIPAMI and AIOG, the market capital of AIOG was irrelevant and was looked upon dubiously by the mining community, while frowned upon by the IFC and Rio Tinto, the other partners in the Infrastructure Company.

Parallel to the joint venture company - IMG with Guinea for Simandou / SPV Simfer, AIOG Signed a relationship agreement with IMIC (International Mining and Infrastructure Corporation plc.) According to an IMIC 2nd April 2012 Company Announcement, it has converted the Heads of Agreement signed with African Iron Ore Group Limited on 30 November 2011 (before the AIOG & SOGUIPAMI joint venture) into a Relationship Agreement. The Agreement granted IMIC an option to acquire 90% of the shares in AIOG. IMIC thus announced its first joint project with AIOG under the Infrastructure Agreement in Guinea on the Simandou South iron ore related infrastructure project. The Relationship Agreement defines the framework for the exclusive collaboration between IMIC and AIOG to acquire, finance and develop iron ore mining and related infrastructure projects in Africa. In the same period of time IMIC signed 3 agreements with Chinese companies: 19 April 2012 - with China Railway Group Limited, 23 April 2012 - with China Machinery Engineering Corporation (CMEC), 24 April 2012 - with Metallurgical of China Limited.

It should be mentioned that in the summer of 2012, SOGUIPAMI signed two MoU's in China, with Gezhouba Group International Engineering Co. Ltd. (CGGC) and with Auspicious Team Investments Ltd.

The market cap of IMIC at early 2013 is at their record high, about \$20 million. One is puzzled therefore to explain how such a junior player would have managed to convince the Guinean Government that it would be able to help fund the several billions of dollars required to finance their pro rata share of the associated Simandou South rail and port infrastructure development.

In **April 2012** the Government of Guinea named a 16-member commission to handle the mining contracts review process, and appoints the adviser to the president on mining issues, Ahmed Kante, as full-time executive director in SOGUIPAMI.

***6. Condé's protégé Aboubacar Sampil's was nominated as a non-executive director of Sable Mining Africa Ltd (SBLM) two months after Sable was granted a 123.5 sq. km exploration permit in the strategic Mount Nimba area.***

Aboubacar Sampil's business bloomed. In April 2012 Sampil was nominated as a non-executive director at Sable Mining Africa Ltd (SBLM). In February 2012 Sable Mining Africa had been granted a 123.5 sq. km exploration permit in the Mount Nimba area of south-east Guinea, through its 80% Guinea subsidiary West Africa Exploration SA. Sampil is a Director in both companies. In addition, Sable Mining Africa Ltd chairman Philippe H. Edmonds and the CEO Andrew Stuart Groves, are connected to Agriterria Ltd, which has a concession agreement for the construction and operation of an industrial and commercial terminal in the East Zone of the Port of Conakry in Guinea.

The close ties between Mohamed Alpha Condé and Aboubacar Sampil, sharing a same office space at the Presidential palace, while actively involved in mining companys and government negotiations (as was the case with Mubadala and UC Rusal) raises serious questions as to the structure and modus operandi of Sampil's and indirectly Mohamed Condé's wheeling and dealing.

***7. Serious allegation from Guinea opposition alleged that Condé transferred \$150 million, received as credit from Angola, into his private accounts.***

In February 2012 – Angola offered a credit of \$150 million to Guinea to meet the basic needs of the population. According to claims first brought to light by the vice president of the UFDG Oury Bah, Condé made personal use of the \$ 150 million, and transferred the money into private

accounts<sup>4</sup>, apparently using very complex financial arrangements supported by shell companies created for this purpose.<sup>5</sup>

***8. Guinea's opposition's call for international intervention, blaming the President of control over the Central Election Commission and the use of ambiguous technology companies for the legislative elections.***

In 2012 Condé continued with his plan to control the National Assembly elections. He established a firm grip on CENI and its two operational vehicles “Sabari Technology” and “Waymark Infotech”. Audits of UNDP and OIF have shown serious technical limitations in Sabari and its partner Waymark kits. The opposition outrage against this corrupted process came to a boiling point after the publication in the Sunday Times (June 2012) revealing details of the Palladino scandal and corrupt relations with South Africa.

In April 2012 the opposition in Guinea, the Alliance for Democracy and Progress (ADP), a collective of political parties for the completion of the transition in the Republic of Guinea, sent a compelling memo to Ban Ki-moon, General Secretary of the United Nations. The memo deals with the socio-political situation in the Republic of Guinea, concerning violations of human rights, and individual and collective freedoms as well as the corruption and lack of transparency in the organization of legislative elections.

The elections for the National Assembly were delayed again and again in spite they were supposed to occur within 6 months of the presidential elections, and the voter registration is currently in the hand of a Pro-RPG company named “Sabari Technology” and the South African company “Waymark Infotech”.

In September 2010 - two weeks of riots rocked Conakry when opposition parties demanded the removal of these two companies from the electoral process and restructuring of the CENI. These demonstrations led to the resignation of Louceny Camara (the same official who was sentenced to one year in prison after the first round of the presidential elections on charges of committing fraud in favor of Condé). The opposition in Guinea still refuses to take part in the National Assembly elections under these conditions.

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<sup>5</sup> <http://www.ramatoulaye.com/fr/les-opinions/136-les-150-millions-de-dollars-que-l-angola-a-pretas-a-la-guinee-vires-dans-un-compte-bancaire-d-alpha-Cond%C3%A9-au-moyen-orient.html>  
[http://www.lejour.info/index.php?option=com\\_content&view=article&id=3650:langola-propose-un-credit-de-150-millions-de-dollars-a-la-guinee&catid=8:international&Itemid=5](http://www.lejour.info/index.php?option=com_content&view=article&id=3650:langola-propose-un-credit-de-150-millions-de-dollars-a-la-guinee&catid=8:international&Itemid=5)



**9. Condé tried to get his hands on money that the dictator Lansana Conté took out of the country**

October 2012 - \$1,007,000,000 million belonging to former president général Lansana Conté are detected in a Brazilian Bank. President Condé is trying to put his hands on it. He has sent his son Mohamed Condé to Brazil on several occasions throughout 2010-2012.

**10. An Israeli businessman is Financing Condé's presidential plane**

President Condé purchased a presidential jet with the help of private individuals. 75% of the cost was allegedly funded by an Israeli company, A.D. Consultants Ltd. headed by a longtime friend of President Condé, Gaby Peretz. The company specializes in providing military and security training and consultancy services to a wide range of global clients.

**11. The CIF Attempt to Seize the Simandou Project through the Backdoor**

An article from the Sunday Times dated 6 May 2012 revealed that China International Fund ("CIF") and Bellzone were attempting to negotiate a deal with the Guinean government, through Mohamed Alpha Condé in respect of the Simandou project<sup>6</sup>.

According to this article, in August 2011, that is four months after Rio Tinto's Simfer S.A. announced a settlement agreement with the government in respect of an ore deposit in Simandou, CIF and Bellzone pitched for the same Simandou deposit. It promised, as Rio Tinto's Simfer S.A. had, to build a railway corridor across the country and offered 700 million USD in cash as "prepayment of mining tax and profit".

**12. BTG Pactual – Roger Agnelli and Mohamed Condé devise a plan to control the entire Simandou Complex and to advise the Government on negotiating with the mining companies**

Mr. Roger Agnelli, the CEO of Vale between 2001 and 2011, and the investment bank BTG Pactual (controlled by André Esteves) in 2012 set up a Joint Venture named B&A which subsequently extended an offer to the Republic of Guinea to become its exclusive financial consultant in all transactions with investors involving the entire Simandou Complex<sup>7</sup>. BTG Pactual also offered to advise in respect of the restructuring of the Republic's assets and

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<sup>6</sup> Sunday Times, "Chinese eye Rio's African jewel; Syndicate of Hong Kong tycoons hatches secret plan to snatch world's untapped iron ore reserve from Rio Tinto, 6 May 2012

<sup>7</sup> Exame Brazil, "Army officials on the streets of Guinea's capital: A typical and sad African image", 19 September 2012

offered to assist the government in seeking funding for its mining project commitments.

To carry out the related discussions, Mohamed Condé, the son of acting President Condé would have flown to Brazil in a private jet along with Minister of Mines Mohamed Lamine Fofana, Minister for public works and transportation Ousmane Bah and Mamadi Condé in charge of the administration and control of major projects<sup>8</sup>. Mohamed Condé would have acted as the intermediary between the Guinean government and BTG Pactual<sup>9</sup>.

As reported in the press, “the catch is the payment form suggested by the Brazilian Bank: cash or non-monetary assets, such as mineral reserves or parts of railways or ports. As the government faces critical shortage, it is more likely that BTG would pay with ore deposits”<sup>10</sup>.

This prompted VBG the Joint Venture between Vale and BSGR to put BTG Pactual’s Roger Agnelli on notice in September 2012, to refrain Agnelli from tortuously interfering with its rights.

Recently, the press has announced that B&A was also bidding for the BHP mining assets in Mount Nimba, and that it would be the preferred bidder by BHP to acquire their Guinean asset. There is little known about the approval process required by the Government for such a deal according to the new mining Code, but experts have alleged that the connection between Agnelli and Mohamed Condé has already secured the process to be seamless and trouble free.

### **13. Fraud at the Central Bank and The Assassination of Aissatou Boiro**

In November 2012, Aissatou Boiro, director of the Office of the National Treasury of Guinea, was investigating a high-level corruption case, when she was brutally shot dead in her car on her way home from the Budget Ministry in Conakry by unidentified men in military uniform, witnesses said.

Eyewitnesses revealed that the men emerged from another vehicle that had halted and blocked Boiro’s car and then shot her twice in a planned organized assassination. Boiro had received death threats, her friends and family reported to the press.

Boiro was appointed treasury director by presidential decree of Alpha Condé earlier in 2012.

Co-workers stated that she was conducting an investigation into the alleged embezzlement of more than 13 billion Guinean francs (US\$1.8 million) from public funds, which allegedly

<sup>8</sup> Africa Mining Intelligence, “President’s son promotes Guinea-Brazil ties”, September 2012

<sup>9</sup> Reuters, “Vale faces talks with former CEO Agnelli and USD 2bn outlays to stay in Simandou, Guinea iron ore project: Report”, 14 September 2012

<sup>10</sup> Exame Brazil, 19 September 2012

involved high-ranking public officials.

According to Human Rights Watch, “Guineans and many observers had expressed hope that the 2010 elections, which brought President Alpha Condé to power, would be a democratic turning point in a country that has endured a series of authoritarian and abusive leaders. While Condé has taken some steps to address the serious issues of governance and security problems he inherited, progress toward greater respect for the rule of law has been undermined by lack of discipline within security agencies, inadequate support and protection for the chronically neglected judiciary, and corruption.”

#### ***14. China Power and Alpha’s wife Djene Kaba Condé***

The First Lady of Guinea, **Djene Kaba Condé** has since the election of her husband as President, taken a keen interest in the aluminum refinery project of China Power Investment Corporation (CPIC). Djene Kaba Condé is namely referred to by the Guinean mining space as the *Ambassador* for CPIC. Little is known of her traffic of influence at the level of the Presidency and the mining Ministry to facilitate the negotiations in obtaining the approvals required for their project as well as generous fiscal and technical conditions for the future operations of their aluminium refinery. Some have quietly questioned the incentives that are driving the wife of the President to be involved in this project including attending meetings and joining several trips of officials to China.

During her visits to China, which have allegedly been paid for by the Chinese company, the First Lady was also involved in high-level discussions regarding a possible “flipping” sale of a share interest in the future State participation (following the coming into effect of the new mining code) in the mining projects of the country.

#### ***15. The Bollore-Getma Affair – Alpha Condé canceled the Getma Port Concession in Conakry to the benefit of his loyal friend, Vincent Bollore, in return for his financial support***

French port group Bollore signed in march 2011, just a few months after the Presidential elections, a concession worth 500 million euros to take over management of the container port of the Guinean capital Conakry. The signing came just days after Guinea's new president Alpha Condé annulled an accord with Getma International to manage and expand the port.

Speculation of such a deal had grown since Bollore had visited his childhood friend, Alpha Condé, in Conakry following the election. Speculations that Bollore had contributed financially to the election campaign of Alpha Condé immediately surfaced all over the local press. Finally in

early March 2011, Condé 's government said Getma's concession had been annulled due to failings to meet its obligations. The termination was executed by a Presidential decree of Alpha Condé.

Getma's parent Company NCT Necotrans said in a statement issued at the time that it would examine all means to defend its rights following the damage caused by the annulment of the contract. They have since then initiated Arbitration proceeding against the Government of Guinea at ICSID which is ongoing. Getma also initiated a proceeding through the CCJA (the Cour Commune de Justice et d'Arbitrage OHADA) which is also pending.

## **16. Dren Newpan – The Secret Campaign Manager of Alpha Condé ?**

Powerful businesswoman with an established network in South Africa stretching all the way to President Jacob Zuma and the South African Secret Service.

Ms Newpan is at the helm of the Waymark affair and connecting Mohamed Alpha Condé to the entire South African Secret Service Network under the ausoices of her good friend Jacob Zuma.

She has proven to be instrumental in raising the required campaign funds for the election campaign of Alpha Condé amongst South African Donors (Palladino) and is said to have been highly "influential and efficient" in "backing" Alpha Condé to win the Presidential election with the involvement of Waymark Infotech.

### 3. The 2010 elections

According to the Guinean Constitution, the people of Guinea elect the President for a five-year term.

The elections of the National Assembly (Assemblée Nationale) are for 114 members, elected for a four-year term, 38 members in single-seat constituencies and 76 members by proportional representation.

The presidential elections came about after a coup in **2008** and the subsequent attempted assassination of the junta leader **Moussa Dadis Camara** in **December 2009**. There were months of tension and unrest during the electoral process, between the two leading candidates whom represented the two largest ethnic groups in Guinea: the Fula (Peul) and the Mandingo (Malinke).

After the attempt on **Camara** in early **December 2009**, **General Sekouba Konaté** took over as the country's Transition Government leader, and an agreement was reached on **16 January 2010** which stipulated that Camara would remain out of the country (where he was being treated for gunshot wounds), a transitional government would be formed including civil members and that the presidential elections would be held within the following six months.

Twenty-four candidates were approved to run in the election, among them the main political party contenders were: Cellou Dalein Diallo (UFDG), , Sidya Touré (UFR), Alpha Condé (RPG), Lansana Kouyaté (PEDN) and Papa Koly Kouroumah (RDR).

A presidential election in Guinea is held based on the French two-round system: the first round was held on **27 June 2010** and the second round on **7 November 2010** (after several postponements). **Alpha Condé** was ultimately declared the winner, with 52.52% of the votes in the second round despite multiple irregularities and electoral fraud evidence pointed out by the reports of the international observers present such as the OIF, the UNDP and the EU.

#### The National Assembly elections – Delayed from 2011 to 2013

The People of Guinea are still waiting (two years after the presidential elections) to elect a National Assembly democratically. These elections have been postponed again and again Inter alia because of at first compatibility problems between SAGEM systems and the new WAYMARK systems and claims that the national independent election committee, the CENI, was biased, controlled and appointed by Alpha Condé's and his political party, the RPG. Serious complaints against the two companies selected to perform the elections "Sabari Technologies" and "Waymark Infotech" have been denounced since. Public outrage because of delays at the time of the election and against the companies that manage the process led to the resignation of Guinea's Election Chief - **Lounceny Camara** in **September, 2012**. According to media reports, Mr. Camara's imminent resignation follows accusations by Guinean political stakeholders that the electoral commission chief was using his office as a pretext for delaying the elections.<sup>11</sup>

<sup>11</sup>See <http://www.bloomberg.com/news/2012-09-06/guinea-s-election-chief-resigns-amid-criticism-delayed-election.html> and <http://www.un.org/apps/news/story.asp?NewsID=42830&#.UQuphqFesVk>

## a. Sagem Sécurité



### Background Information

**April 2008** – French Information Technology company, Sagem Sécurité is part of the French SAFRAN group and was selected to ensure integrity of the electoral process in Guinea since 2008. The agreement signed in Copenhagen at the instigation of the UNDP and the European Union (without representation of Guinea). The UN namely implemented a program aiming to encourage countries to ensure the integrity of elections for their political institutions; using biometric systems to identify voters as part of the program.

Sagem Sécurité was selected by the Inter-Agency Procurement Services Office to supply voter registration kits for the Republic of Guinea within the scope of the **UNDP** - United Nations Development Program and the project for the registration and revision of voter lists (PERLE). Sagem Sécurité, is a specialist in automatic fingerprint identification systems and large-scale biometric systems. **Sagem supplied 1,000 portable enrollment stations and an Automatic Fingerprint Identification System (AFIS) to the Ministry of the Interior and Safety and the CENI National Independent Electoral Commission. These systems were used to register voters' biometric data in order to establish secure voter lists.** SAGEM had deployed more than 100 systems in more than 60 countries. Their systems have already handled the registration of more than 200 million people around the world.

### Guinea Elections 2010

SAGEM, the French election technology operator, managed the electoral register in the last presidential election until Waymark replaced it. Throughout the electoral process of 2010 and until the summer of 2011, the Independent National Electoral Commission (CENI) lacked access codes to file property over SAGEM's data systems. The French Company was accused of holding onto the data to ensure political and economic influence. The conflict that erupted in summer 2011 on access to the databases of SAGEM is one of the reasons, which allegedly caused delays in the legislative elections. One of the arguments was that there is no compatibility between the SAGEM and WAYMARK information systems and therefore preventing the data from being transferred.<sup>12</sup>

**NOTE: François de COMBRET, a former classmate and close friend of President Condé who act as unofficial personal Advisor, sits on the Supervisory Board of SAFRAN, the holding company of the operator, SAGEM.<sup>13</sup>**

<sup>12</sup> See <http://www.homelandsecuritynewswire.com/guinea-selects-sagem-s%C3%A9curit%C3%A9-ensure-integrity-election> ; and <http://survie.org/billets-d-afrique/2011/204-juillet-aout-2011/article/sagem-en-guinee>

<sup>13</sup> See Annual Report, SAFRAN Group 2010: [http://www.safraan-group.com/IMG/pdf/Safran\\_RA\\_ENG\\_-\\_BAG\\_14-04-3.pdf](http://www.safraan-group.com/IMG/pdf/Safran_RA_ENG_-_BAG_14-04-3.pdf)

## **MARKING EVENTS**

**13 August 2012** - A mission of the International Organization of the Francophonie (OIF) arrived in the Guinean capital, to "participate in the implementation of the recommendations in their report," and on performance improvements in recording kits of Waymark.<sup>14</sup>

In its report published last July after an analysis of the material of the South African operator Waymark, OIF reported shortcomings in the registration kits.

The mission of the OIF was originally scheduled for August 1, before being canceled due to lack of consensus between government and opposition. The Opposition had suspected OIF would come with the intention to "contribute to the transfer of data SAGEM bringing in this operation, technical assistance to companies Waymark and Sabary. "

**27 August 2012** - Failure to transfer data from SAGEM system to Waymark system, is among other things, part of the delay of the Organization of free and transparent elections in Guinea. Studies experts from the United Nations Development Programme (UNDP) revealed and demonstrated that the SAGEM data could not be transferred to machines of Sabari & Waymark.<sup>15</sup> The data that needed to be extracted and delivered were the alphanumeric and biometric data **of 3,801,967 registered voters.**

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<sup>14</sup> <http://www.afriquinfos.com/articles/2012/8/13/mission-loif-conakry-pour-verifier-ameliorations-apportees-materiel-waymark-208260.asp>

<sup>15</sup> <http://www.guineelive.com/accueil/2-guinee/5317-transfert-des-donnees-de-la-sagem-loif-demande-219000-euros-.html>

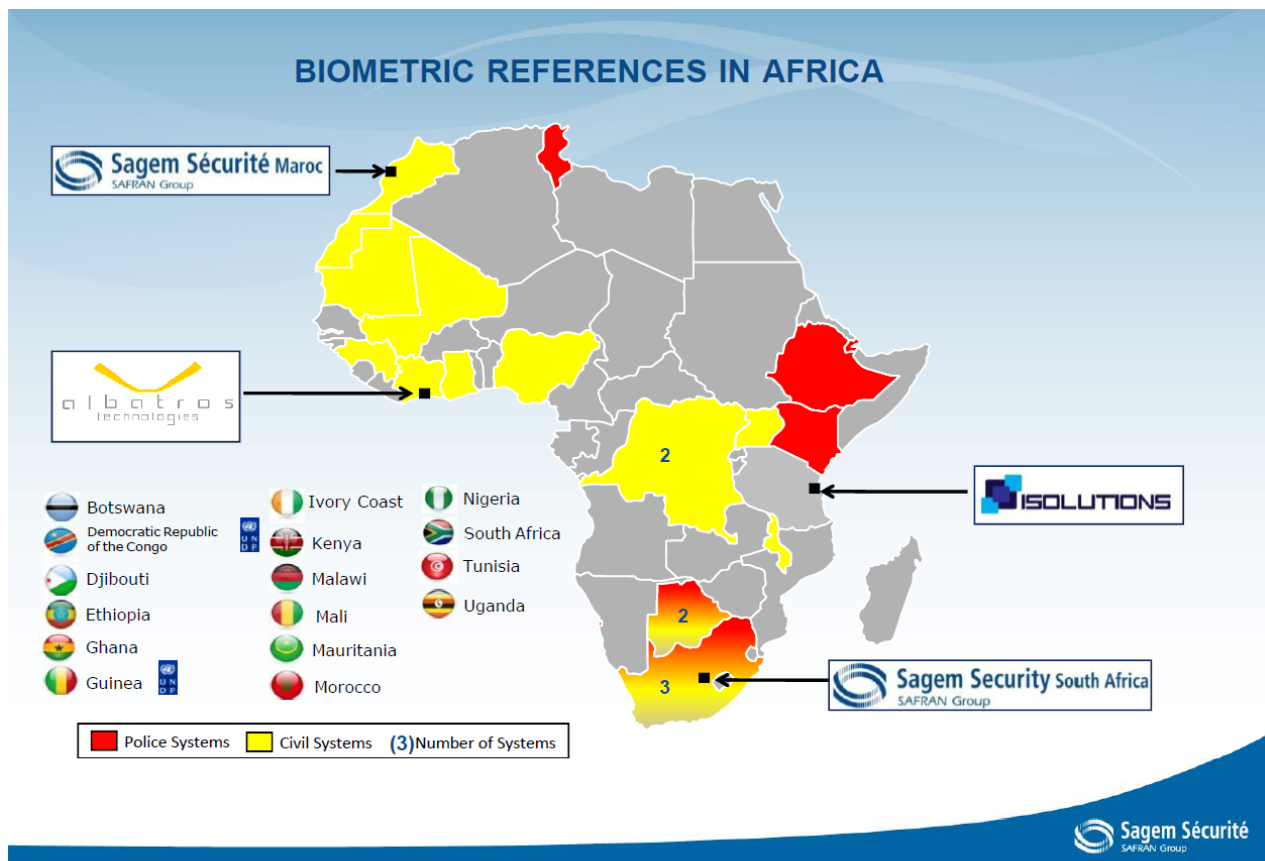
**SAGEM SÉCURITÉ MAAGEMENT**

- **S Philippe Petitcolin, Chairman and CEO, SAGEM worldwide**
- **Fabien ROUAUD - Program Director for Ivory Coast**
- **Yves LEQUENNE - Program Director for Ghana**
- **Jeff LEGROS - Western Africa Sales Manager**
- **Oumar DIARRA - Regional partner (Albatros Technologies)**
- **Sidi Mohamed Kagnassi - Sagem Sécurité representative in Ivory Coast**

Sagem Sécurité are also operating in Ivory Coast with **Albaros Technologies**<sup>16</sup>

- **Eric Apling-Kouassi - Directeur Général**
- **Traore Idrissa - Administrateur Systèmes et Réseaux chez albatros TECHNOLOGIES**
- **georges moulot -CHEF DE PROJET at ALBATROS TECHNOLOGIES**

**SAGEM SÉCURITÉ PRESCENCE IN AFRICA:**



<sup>16</sup> <http://www.plotip.com/domain/albatros-tech.com>



## b. Sabari Technology



### ABOUT SABARI

Founded by Guineans engineers, the company deal's with data processing. According to Sabari it has 15 years of experience in electoral assistance (implementation of the electoral process and Guinea), 10 years of experience in the identification and card printing Guinean National Identity, and installation projects and administration of computer networks. 5 years' experience in installation and administration of vsat for NGOs, universities, and individual projects in the Republic of Guinea. Supply and installation of surveillance systems by IP camera and access control to strategic sites. Electronic document management with archiving electronic documents.<sup>17</sup>

Sabari-Technology is located on the 6th floor of the building Tounkara, Manquepas district, commune Kaloum and does not seem to have the requisite experience or the management capabilities (compared to SAGEM) to implement the electoral process efficiently.

### THE SABARI CONTRACT WITH CENI<sup>18</sup>

A contract was signed on 29 March 2012 between the CENI and Sabari. The CENI was **represented by its controversial President Louncény Camara and its General Manager Famori Kaba**, while Sabari was represented by **Mamadi Condé, the CEO and sole shareholder of the Sabari Technology Company**.

The contract had a value of **12,415,672,500 GNF** - a little less than **\$2 million dollars** -and focused on the recruitment of the local operator for review of the electoral rolls to be used for the legislative elections held initially within the six months that would follow the election of Alpha Condé in November 2011. However the date was postponed for nearly 2 years.

The Opposition accused the Guinean authority to prepare electoral fraud.

The European Union has further indicated that without transparent Legislative Elections the European Development Fund (EDF) grants of several hundred million Euros would not be delivered to Guinea. A decision passed by MEPs cannot be reversed by the Executive Council of Europe.

Mamadi Condé's Sabari-Technology was the only bidder for this tender which was awarded in March 27, 2012 by the CENI. He was born June 27, 1963 in Kankan and has been accused by the opposition parties to be an activist of the ruling party RPG of Alpha Condé.

Payment was to be executed to Sabari bank account BICIGUI 09843-07306800133 GNF BICIGUI, upon signing with an advance of 50 percent of the contract amount (6.2 billion FG). There is no information on how these funds were utilized.

<sup>17</sup> More info here: <http://www.facebook.com/pages/SABARI-TECHNOLOGY/266778653368720?sk=info>

<sup>18</sup> Contract is available at: <https://docs.google.com/file/d/0By27GsWpVgkJWmZraXZuV1VkbXc/edit?pli=1>

**Sabari General Information**

Sabari Technologie  
<http://www.sabari-gn.com/>  
Sabari Technology  
Conakry BP.6316 Guinée Conakry  
Tél: +224.60.55.24.60 / 60.80.75.00

**Sabari Business Listing:**

6 ème Etage Immeuble Tounkara BP 6317 Kaloum Conakry  
Tel 224 64 20 06 74  
Fax 224 30 01 33 86  
E-Mail [infos@sabari-gn.com](mailto:infos@sabari-gn.com)  
Website [www.sabari-gn.com](http://www.sabari-gn.com)

A possible direct suspicious connection between Sabari and Mohamed Lamine Fofana (Minister of Mines and Geology). In Sénégal he is listed as representative of Sabari:

See: <http://sn.viadeo.com/fr/search/rcl/sn/sabari%20technologie/fr/>

# PRESENTATION DE SABARI TECHNOLOGY



Mr CONDE Mamady  
Directeur Général



Mr KONATE Djiba  
D G Adjoint



Mme KOUROUMA DOUSSOU C.  
Assistante de Direction



Mr CONTE S. Minkailou  
Coord. Technique  
CONAKRY



Mr SQUARE Louncy  
Coord. Technique  
GUINEE MARITIME



Mr BARRY Bademba  
Coord. Technique  
MOYENNE GUINEE

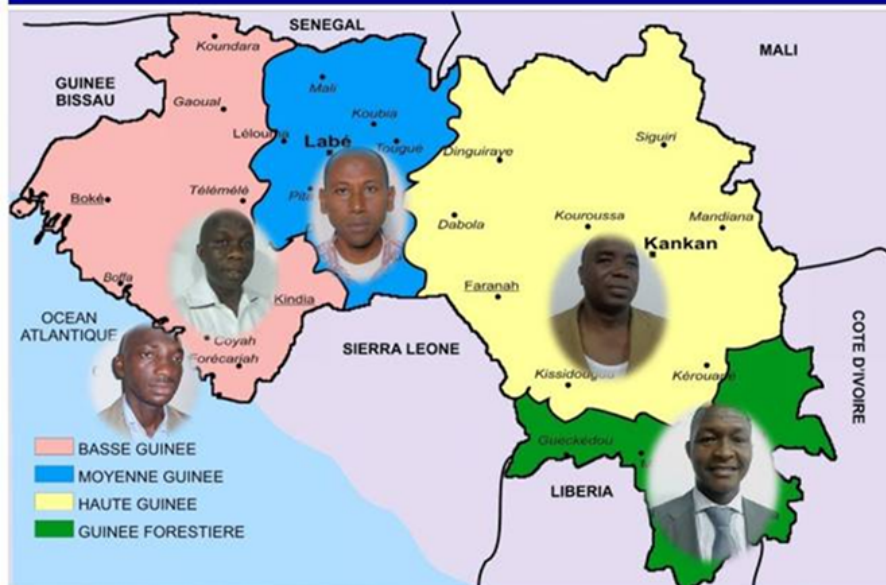


Mr KABA Bangaly  
Coord. Technique  
HAUTE GUINEE



Mr KALABANE Oumar  
Coord. Technique  
GUINEE FORESTIERE

## CARTE DE COORDINATION DE SABARI TECHNOLOGY



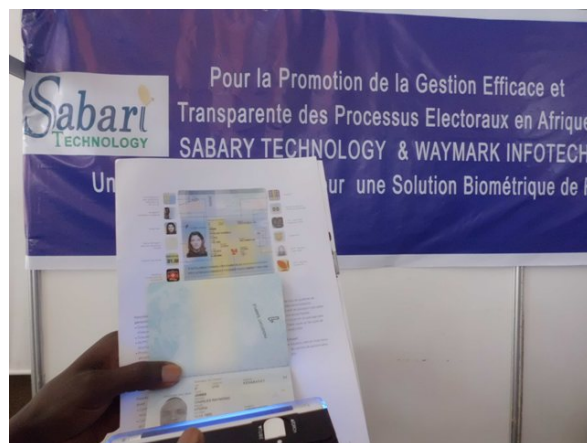
## **Recent Developments:**

**13.08.2012** – Visit in Guinea of a delegation from OIF to participate in the implementation of the recommendations in their report, and on implementing the performance improvements in recording kits of Waymark.



*Waymark suitcase (Kit) includes: laptop, biometric fingerprint reader, light, scanner, printer, and camera. The kit was assembled on the 3<sup>rd</sup> floor of the Villa named (Site Central).*

**23.11.2012** – South Africa ambassador to Guinea visited the technology Exhibition NTIC CIEPEX and met with Sabari Management.



*Sabari Technologie at NTIC CIEPEX Exhibition in Conakry*

**03.12.2012** –visit in Sabari of a delegation from Waymark Infotech. There are 3 visitors from South Africa: the advisor of the ambassador and two managers of Waymark. The visitors arrived at 09:00 to the villa (Site Central) and were accompanied by Sabari CEO Mr. Mamady Condé to the Meeting Room for a briefing, soon after they visited the Kit assembly room on the 3<sup>rd</sup> floor and the control room.



*The Waymark delegation arrives to the villa (Site Central)*



*The delegation in the building*



*The delegation in the kit assembly room*

Pictures' taken in Sabari offices on 15.06.2011<sup>19</sup>



<sup>19</sup> Source: sabari facebook page: [http://www.facebook.com/pages/SABARI-TECHNOLOGY/266778653368720?sk=photos\\_stream](http://www.facebook.com/pages/SABARI-TECHNOLOGY/266778653368720?sk=photos_stream)

04-05.12.2012 – CENI delegation visit Sabari installations





### c. The Presidential election and the first involvement of Waymark

**20 July 2010** - The final result of the first round were announced after confirmation by the Supreme Court, which annulled about one-third of the votes originally cast. While differing significantly from the earlier provisional results, they confirmed a runoff between Cellou Dalein Diallo and Alpha Condé, with Diallo winning 43.69% against Condé's 18.25% and Sidya Touré's 13.02%.

After a series of delays related to logistical challenges, politicized wrangling over election administration, and a dispute over the leadership of the Independent National Electoral Commission (**CENI**), a run-off vote between Diallo and Condé was held on **November 7, 2010**.

For the run-off, at least **twelve** minor candidates (Francois Louceny Fall, Ousmane Kaba, Hadja Saran Daraba Kaba, Jean Marc Teliano, El Hadj Bouna Keita, Mamadou Diawara, Ibrahima Kassory Fofana, El Hadj Mamadou Sylla, Alpha Ibrahima Keira, M'Bemba Traore, Joseph Bangoura and Abraham Boure) voiced their support for Condé over the frontrunner. However, Diallo gained the support of **Touré**, who came third. Condé then also gained the support of fourth-placed **Lansana Kouyaté**.

Throughout the **2010** election campaign, the interim government of Guinea, led by Sekouba Konate, violently targeted the **Peul** ethnic group who were supporters of presidential candidate, **Cellou Dalein Diallo**. **This was a deliberate and planned strategy devised through Alpha Condé and his benefactors**. Furthermore, with **election fraud and vote rigging** secured by **Louceny Camara** of the CENI on behalf of his leader Alpha Condé, ultimately prevented frontrunner Diallo from winning the election outright in the first round. The first phase of the Condé strategy devised in South Africa had been achieved.

Thus, Louceny Camara enabled Alpha Condé, rather than Sidya Toure, to secure a place in the second round of the election.

**The extent of the irregularities identified by the election international monitoring teams, gave the candidates many reasons for questioning the results publically. Sydya Toure, the candidate of the Union of Republican Forces (UFR) who came in third and was excluded from the second round, immediately claimed his second place and accused the transition authorities (and the CENI) of rigging the ballot in favor of Alpha Condé's victory.**<sup>20</sup> General Konate reacted sharply towards the accusations and threatened to resign. Shortly thereafter, and an alleged confrontation with Sidya Toure, the latter eventually accepted his third place to the relief of Alpha Condé.

<sup>20</sup> "Sidya Toure conteste les resultats provisoires et revendique la deuxieme place" koaci.com, 4 July 2010.

#### THE ROLE OF WAYMARK IN THE PRESIDENTIAL ELECTIONS

Waymark is at the heart of the designed system by Alpha Condé and the South African Secret Services, under the auspices of South African President Jacob Zuma, to rig the ballots in favor of a secured victory in the Presidential elections.

Meetings between Alpha Condé and the South African benefactors occurred prior to the election campaign and have been documented. The developed strategy devised with the SAAS consisted in influencing the CENI, which was controlled by pro- Condé loyalists (Louceny Camara) to select the Waymark Information System (replacing other systems, Sagem and OIF) and enable full control over the election results in the second round of the elections, thus guaranteeing the victory of Alpha Condé.



*Louceny Camara*

#### THE TIMELINE AND METHOD OF THE WAYMARK STRATEGY

**April 2010** – Alpha Condé and Mohamed Condé travel to South Africa for meetings with President Jacob ZUMA and subsequently with the South African Intelligence Officers of the SAAS

**May 2010** - A team from Waymark is expedited to Conakry to follow up and meet with the CENI to present their system.<sup>21</sup>

**H1 2010** - Louceny Camara (at the time VP of the CENI) travels to South Africa again before the first round of the elections to meet with Waymark. He is unable however to impose the Waymark system at the time to his boss, President of CENI **Ben Sekou Sylla**, so he patiently awaits the right time to replace him as head of the CENI in order to implement the Waymark system as agreed in South Africa between Alpha Condé /Mohamed Condé and the South African Secret Services under the auspices of President Zuma.

<sup>21</sup> <http://www.guineepresse.info/index.php?aid=5607>

**20 & 24 May 2010** - CENI must decide who the operator will be for the elections. The two competing systems are finally, the OIF system and the Waymark system. The influence of Colonel Sangare, a Malian, and Louceny Camara have a weight in the choice. Two meetings are held on 20 and 24 May before the final decision falls.

**Early June 2010** – The CENI announces its choice in favor of Waymark and signs a contract with them, which effectively replaces the SAGEM system.

**27 June 2010** – First Round of the Presidential elections.

**20 July 2010** - The final result of the first round are announced after confirmation by the Supreme Court, which annulled about one-third of the votes originally cast. While differing significantly from the earlier provisional results, they confirmed a runoff between Cellou Dalein Diallo and Alpha Condé, with Diallo winning 43.69% against Condé's 18.25% and Sidya Touré's 13.02%.

**July 2010** – Alpha Condé, according to an eyewitness source, solicits the help of the South African authorities to fully engaged the “Waymark solution”.

**10 September 2010** - A court in Guinea sentences the head of the electoral commission, Ben Sekou Sylla, to a year in prison for fraud in the first round of the presidential election.<sup>22</sup>

**30 September 2010** – Shortly thereafter six (6) Waymark engineers arrive in Guinea with Waymark customized hardware and software. The company which had the support of Louceny Camara, is specialized in the processing and centralization of election results. It has a history of fraudulent behavior (in Zanzibar and other African Countries such as the DRC) and is not an approved supplier for the UNDP.

**October 2010** - Theft of sensitive computers at the CENI DATA Center. The computers which belong to the OIF (Organisation Internationale de la Francophonie) an organization involved in supporting and monitoring a transparent election process. The OIF system which was supported by the CENI, the EU and observers from ECOWAS, UNDP, the Carter Center and the African Union is thus hindered from being implemented efficiently and transparently.

**12 October 2010** – The Alliance of Cellou Diallo publishes a petition demanding a new CENI head to replace **Louceny Camara**, who is known supporter of Condé.<sup>23</sup> Tensions mount regarding possible evidence surrounding Louceny Camara’s actions in rigging the elections towards Alpha Condé. The Alliance UFDG lodged a complaint against Camara and charged him, amongst others, of confiscating 109 voting stations in Conakry.

<sup>22</sup> <http://usafricaonline.com/2010/09/10/electoral-commission-head-jailed-for-fraud-in-2010-voting-in-guinea/>

<sup>23</sup> Xinhua News Agency

**18 to 19 October 2010** – 17 computers stolen from CENI offices. The robbery takes place about ten days after another robbery at the same location. This act is intended to postpone the election scheduled for 24 October 2010.

**19 October 2010** – The Malian General **Siaka Toumany Sangare** is appointed as the new head of CENI replacing Louncy Camara *in extremis*. Sangare was previously an OIF delegate within the CENI.

**22 October 2010** – The Supreme Court sentences **Louncy Camara** to a year in prison following vote-rigging activities during the first round of the Guinean Presidential elections. In addition, to a year in prison, Camara is sentenced to a fine of 2 million Guinean francs, loses privileges to exercise his civil rights, and has to pay damages to Diallo.

**25 October 2010** - Towards the second round of elections, violence against Diallo supporters increased dramatically and consisted of massacres, burning of homes and businesses and the use of rape, all intended to intimidate **Peuls** into not voting in the second round. It worked, thousands of Peuls were disenfranchised.

**7 November 2010** – Following several months of delays the Runoff - Second round of the Presidential Elections is held with at its core the Waymark System. OIF and EU observers monitoring the elections report multiple irregularities including fraudulent activities throughout the country's polling stations.

**15 November 2010** - The newly appointed CENI head, Sangare, announces that Condé is the winner of the election with 52.52%

**21 December 2010** – Condé inaugurated as New Guinean President

#### d. Disputes Regarding the Election Results

The Carter Center observers of the 2010 Presidential Elections in Guinea noted the following irregularities, which require in-depth attentiveness in light of the current analysis<sup>24</sup>:

##### Disputes Regarding Second-Round Results

*The Carter Center did not observe voter registration except for its final phase, distribution of the voters cards. However, observers were informed of several factors and technical difficulties that hampered registration efforts and may have led to an underrepresentation of the electorate among registered voters.*

*The Carter Center's long- and short-term observers witnessed the distribution voters cards in several parts of the country. The printing of biometric voter cards was completed June by MATAP in collaboration with SAGEM, a French company that won the contract for the production. The delivery of cards to regions furthest from Conakry, including the Forest Region, began about 11 days later than the planned June 1 date. This process was described by our observers as late, chaotic, and confusing in terms of the information provided to voters. Also, the practice of 'handing in the receipt' to receive the voter's card was not consistently followed or enforced.*

*In the first round, claims of electoral fraud from several parties emerged as soon as the voting ended on June 27.*

*The results of the first round were contested by several parties, in particular the third-place candidate, Sidya Toure (UFR) who claimed that the CENI had manipulated the results to invalidate protocols from areas favorable to him and to accept irregular protocols from areas unfavorable to him.*

*Fourth-placed Lansana Kouyaté (PEDN) claimed ballot-box stuffing and the creation of fictitious polling stations by the RPG in Upper Guinea. Despite the results confirming the passage of the RPG to the second round, the party also claimed massive fraud had damaged their vote tally.*

*In total, complaints from 14 of the 24 parties running were submitted to the Supreme Court. These cited a wide range of problems, including inadequate numbers of polling stations or locations that required voters to travel long distances, insufficient technical preparation and training of polling station staff that resulted in unsigned tally sheets, incorrectly sealed or unsealed envelopes containing essential report forms, and failure by election staff at multiple levels to follow the correct stages for transmission of sensitive election materials and the proper recording of voting results. The court declared eight of the complaints inadmissible for lack of evidence, while the other seven were upheld.*

<sup>24</sup> The Carter Center, "Observing the 2010 Presidential Elections in Guinea", Final Report

*In its July 2010 decision, the court noted that there were severe irregularities during the first round of the presidential election.*

*In its final ruling issued on July 20, the court justified these annulments on the basis that it had not received the protocols from the electoral districts concerned from MATAP. This decision was heavily criticized, as it retroactively disenfranchised almost 900,000 voters (about one-third of the voting electorate).*

*The court's decision making was neither coherent nor transparent. No legal document gave MATAP responsibility for transferring protocols to the Supreme Court. There was no legal justification for not relying on the CENI's protocols for these districts, and the Supreme Court apparently made no effort to trace the missing protocols. In fact, they were only publicly declared as missing when the final ruling was announced.*

*Despite these criticisms, all parties respected the decision of the Supreme Court as final; however, the RPG filed a formal complaint against the Supreme Court and against the CENI president, Ben Sekou Sylla, and Director of Logistics and Planning El Hadj Boubacar Diallo for electoral fraud, while the UFDG filed a complaint against the CENI vice president, Lounceny Camara. On Sept. 9, Sylla and Diallo were both convicted of electoral fraud during the first-round election and sentenced to a year in prison and fined 2 million Guinean francs (US \$276.82).<sup>25</sup> Camara was convicted on Oct. 22, 2010.*

#### **Disputes Regarding Second-Round Results**

*For the second-round election, the UFDG filed a petition with the Supreme Court before the election to prevent the vote being held in the prefectures of Siguiri and Kouroussa in Upper Guinea, where there had been violence targeting Peulhs. This was not upheld, and the election proceeded as scheduled on Nov. 7; however, the UFDG announced that it would not accept CENI results if these included the two prefectures, submitting a series of 28 complaints to the CENI during its tabulation. They requested the discounting of all results from Siguiri and Kouroussa prefectures on the basis that pre-electoral violence forced much of their electorate out of the region, and their assessors and delegates were not able to participate on election day due to intimidation and fear for their security. They claimed that their party's delegates and assessors had been fraudulently replaced with RPG members and that ballot boxes had been stuffed.*

*Thus, they argued, the electoral process in these two prefectures was neither free, fair, nor transparent. They also requested the annulment of the prefecture of Lola because the president of the centralization commission was also a member of the CNT, which they felt contradicted the electoral code's stipulation that deputies of the country's national assembly could not exercise any nonelected public function.*

<sup>25</sup> [www.xe.com](http://www.xe.com), Feb. 15, 2011.

*Their complaints signaled irregularities and fraud in all five communes of Conakry and 12 other prefectures, where they wanted results from specific polling stations invalidated.*

*Complaints included allegations that there were fictitious polling stations, RPG members and local authorities attempting to influence votes, excessive proxy and derogation votes, expulsion of UFDG monitors from polling stations, ballot-box stuffing, missing protocols, and irregularities with protocols.*

*UFDG suspended its participation in the CENI central vote count on Nov. 14, claiming the CENI was not taking into account its complaints. UFDG's vice president, Oury Bah, also threatened to make an official complaint to the International Criminal Court referencing cases of security forces inciting ethnic hatred.*

*The lack of clarity in the electoral code on the limits of the CENI president's power to nullify results became controversial during the second-round tabulation.*

*In the end, on Nov. 15, the CENI announced its provisional results and included the vote counts of all electoral districts, indicating that Alpha Condé took first place, with 52.52 percent of the votes, and that Cellou Dalein Diallo received 47.48 percent.*

*The CENI submitted the final document with the results and 31 complaints (28 from UFDG and three from RPG) to the Supreme Court on the afternoon of Nov. 18. Subsequently, both parties filed official complaints with the Supreme Court, alleging irregularities and fraud in the electoral process.*

*The UFDG continued to request the invalidation of Siguiri and Kouroussa prefectures as well as polling stations where the electoral process had been flawed, as described above in the complaints made to the CENI.*

*Following the announcement of the results by the Supreme Court the night of Dec. 2-3, the UFDG issued a press release stating that while widespread fraud had occurred, the results as presented by the Supreme Court would not be changed. Cellou Dalein Diallo called for calm in the interest of the people of Guinea.*

#### e. The South African Connection

##### THE KEY MEETINGS

Prior to the first round in the Presidential elections, two key meeting were held in South Africa involving Alpha Condé and his son Mohammed. The first meeting was held with President Jacob Zuma in April 2010, and the second organized shortly thereafter with the heads of South African Intelligence (SAAS) in May 2010.

The First round of the Presidential elections in Guinea was held in June 2010.

##### BACKGROUND INFORMATION

**Samuel Mebiame**, a former Gabon intelligence officer during Omar Bongo and friend of Condé stated that Condé and his son Mohammed Condé flew into Johannesburg from Paris on Air France flight 990 on **6 April 2010** to meet with Zuma.

A Russian born South African, was sent by Zuma to bring the Condé to his presidential house in Pretoria for late night meeting. Also attending the meeting was: Nandi Adaeh Bosompra, Zuma's misters and the Russian who brought the Condés.

According to the eye witness, it was at this meeting that Condé asked for "financial and technical assistance" for which in return he assured Zuma that Sout Africa have a role in Guinea's most valuable asset, the Simandou iron ore deposit.

**Information regarding this meeting (including Air France flight) has been confirmed and detailed on Alpha Condé's Presidential campaign Internet website which is provided below.**<sup>26</sup>

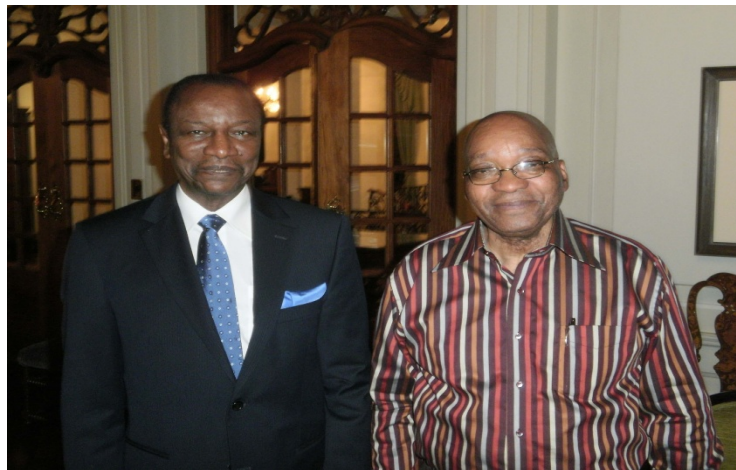
<sup>26</sup> See: [http://alphaconde.com/alpha\\_conde/?p=119](http://alphaconde.com/alpha_conde/?p=119)



AS REPORTED BY AN OFFICIAL PRESS RELEASE BY ALPHA CONDE – RPG<sup>27</sup>:

*Professor Alpha Condé flew to Dakar Friday, April 9 in preparation for his comeback in Conakry scheduled for Sunday, April 11. **The President of the RPG had arrived that morning from Johannesburg where he was the personal guest of President Zuma and Deputy President Kgalema Motlanthe. Received with great respect by the most senior ANC officials and a delegation of business community of the economic capital** South African President Condé has been deeply affected by the expression of fraternal solidarity, affection and support the South African leaders have held, through him, to express to the people of Guinea as a whole.*

*Arrived early Wednesday, April 7, in the morning by the Paris-Johannesburg flight Air France, President Condé was greeted by a delegation of the ANC... Presidents Zuma and Motlanthe have in turn received the President Condé in their respective residence. They told him they were all fully supported all initiatives establishment of democracy on the continent and the case of Guinea were concerned especially. They remembered that it is in Guinea, Kindia, many of them, including the father of President **Thabo Mbeki**, have received their military training during the struggle against apartheid...They expressed that South Africa wanted to renew political relations established under President **Sekou Toure** sit for economic cooperation that could not be done since. **They were confident that once the civilian government in place, Guinea, brotherly and friendly country would quickly become one of the pillars of economic development in West Africa** and a key player in regional integration. South Africa intends to do its utmost to support Guinea throughout the process to lay the foundation for a strong partnership between the two countries for the benefit of the continent and all its peoples.*



*Alpha Condé and President Jacob Zuma*

<sup>27</sup> Idem.

**ANALYSIS AND MODUS OPERANDI**

**According to a South African Intelligence source, the upshot of the meeting with Zuma was that Condé was then instructed to meet with the heads of South African Intelligence.** This meeting occurred on 15 May 2010 in Pretoria at the Sheraton Hotel.

Although the source was not present in the actual meeting, he was briefed shortly thereafter by a contact within the SA intelligence. The meeting consisted of an interview of Alpha Condé and how the SA intelligence Services could provide assistance and finances to help him secure a victory at the upcoming Guinean elections.

**Negotiations to flip assets in exchange for their support were also discussed during this trip to South Africa.**

**Who attended this second secret meeting?**

- **Mo Shack**, SA chief of secret services (SAAS).
- **Hein Van Niekerk** – (introduced to Mohamed Condé via Aboubacar Sampire)
- **Thabiso** (SAAS)
- **Gibson Jente** (SAAS)

**→ It is specifically understood from this source that the use of Waymark in the upcoming presidential election was agreed upon.**

**Samuel Mebianeme** (a former Gabon intelligence officer during Omar Bongo and friend of Condé) and **Nandi Adaeh Bossompra** (Attended the meeting with Zuma) were not told by the Condé about the secret meeting with SAAS. Condé and his son Mohamed met with them the following day, inside Sandton City Mall, telling them they were in South Africa to meet with friends. However, Mebiame was secretly kept informed by one of the SAAS agents that attended the meeting.

**Strong evidence shows Alpha Condé communications with SAAS agent in coordinating this operation.**

**Shortly after this meeting, an article in the local on line publication, Guinea Press Info, was released, announcing that Waymark was being considered to provide technical assistance to the election. Furthermore, this service was reported to have been offered for free by South Africa.**

## e. Waymark Infotech Ltd.

Waymark was established in late 2003 and is a consolidation of four other IT companies. The firm is a consolidation of four other IT companies: Affinity Business Solutions, Molepe Business Solutions, Zero & Ones Solutions, and Xcel Information Technologies.

The founder members and executive directors are **Pikie Monaheng** (the MD of Waymark), **Clive Fynn**, **Leslie Mampe** and **Louis Buys**.



## OPERATIONS

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In 2005, Waymark were contracted by the Zanzibar Electoral Commission to print election materials.

In 2006, the Zambian government purchased biometric voter registration equipment from Waymark. This was the Automated Fingerprint Identification System (AFIS) that was also supplied to South Africa, Tanzania, DRC and Nigeria.

In April 2008, Waymark was contracted by the government of Benin to register 4 million voters in the build-up to local elections.

In 2009, the State Information Technology Agency (SITA) of South Africa contracted Waymark as a service provider.

In 2010, Waymark sold 1,000 digital restoration kits to the Zambian government for \$5 million, through the United Nations Development Programme.

In November 2011, Waymark was contracted by the Democratic Republic of Congo to provide two central servers and 2,000 new biometric voter registration kits for \$15 million.

In 2012, Waymark entered the tendering process for the Cameroonian elections but did not succeed.

## UNITED NATIONS

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UN documents show that Waymark had been a service provider to the organisation for four years until they were expelled in September 2008 for “failure to communicate progress. Businesses dealing with the UN are expected to comply with a guideline of ten points, including transparency of business, good governance, human rights and environmental contributions.

## **SUBSIDIARY**

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Waymark's only subsidiary is Enterprise Content Management Solutions (ECMS). In 2008, EMC Corporation, a leading global brand in information infrastructure solutions, made a strategic investment in ECMS establishing a focused content management solutions division in South Africa and the rest of the continent.

## **REPUTATIONAL CONCERNS**

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After conducting work on voter registration in Benin in 2008, violent protests followed after it was discovered that the system Waymark used was unreliable and that the awarding of the contract to the South African firm was questionable.

In 2012, Waymark entered the tendering process for the Cameroonian elections but were swiftly denounced after it was discovered that the firm had previously computerised the electoral file and had mistakenly left multiple duplicates inside after long delays.

In 2011, the Congolese electoral commission was forced to justify the reasons for contracting Waymark just weeks prior to the elections for a fee of \$15 million, a purchase that the United Nations Development Programme described as "useless and expensive".

In 2012, Waymark was accused of electoral fraud in Guinea and of not being awarded the tender through a transparent process after it won a contract to provide electronic voter registration kits. One source quoted a member of the Department of Finance in Guinea as saying that normal Waymark contract work amounted to \$3 million, but that the total amount of the invoice for this project had been \$14 million.

The President of Guinea's son, Mohamed Condé is alleged to have worked for Waymark and according to Africa Confidential, introduced the firm to the presidential administration. In September 2012 Guinean Rioters displayed numerous protest banners, one of which read, "Waymark and Sabary Technology (joint election contractors) Should Get Out of Guinea Elections".

Waymark was accused in 2011 of having been illegally awarded a R11 million tender to maintain IT services to the Companies and Intellectual Property Registration Office (CIPRO) in South Africa.

Despite being awarded the tender to print election materials in Zanzibar in 2005, the contract was cancelled by the government who claimed that bribes were paid to obtain it.

*We have reasons to believe that Waymark is a company operated by South Africa SAAS for political and economic reasons throughout Africa.*

A Former South African intelligence officer has stated that Waymark was born out of a government department during the apartheid era and has, since its private establishment continued to maintain this close relationship. The source added that one of the founding partners of Waymark, Mr Pikie Monaheng, has had, and continues to have, close ties with a former head of South African Intelligence. They work together in matters such as the Guinea elections contract.

Moreover' there is a significant ambiguity surrounding the payment of Waymark's services. The Guinea government has repeatedly stated that Waymark's services were a gift from South Africa, however, independent reports in South Africa indicate that Waymark received payment of \$14m from the South African government department known as "SAAS" (understood to be South African Secret Service).

#### WAYMARK RECENT DEVELOPMENTS

Opposition party-led protests which have developed into riots in Conakry Over two weeks in September 2012, has attracted significant attention due to its controversial appointment by the CENI in June 2010 of Waymark Infotech, to review Guinea's electoral roll and to run the upcoming, significantly delayed parliamentary elections.

Opposition leaders including Lansana Kouyate, Sydya Toure and Celou Diallo all made harsh public statements calling for the departure of Waymark, a company they alleged was recruited by Alpha Condé.<sup>28</sup>

In addition, the president of the UFR, Sidya Toure, indicated that the delay in holding of the legislative elections reside in the **absence of sincerity, and of transparency on behalf of the CENI and the government.** Namely, the shambles

<sup>28</sup> [http://www.iol.co.za/news/africa/police-fire-tear-gas-at-guinea-marchers-1.1387738#.UO6T3W\\_2\\_ng](http://www.iol.co.za/news/africa/police-fire-tear-gas-at-guinea-marchers-1.1387738#.UO6T3W_2_ng)

around the update of the electoral file as revealed by the report of the experts of the OIF.

This is how Sidya Touré recalled the events: "In the beginning, one made us believe that these kits were grants of the generous and magnanimous South Africa. Yet, the south-African authorities confirmed us not to have given anything at the Guinean state ".<sup>29</sup>

It is further alleged that Waymark continues to work directly for the interests of Alpha Condé, while Sabary Technology is a direct instrument of Alpha Condé's political party, the RPG.<sup>30</sup>

Sidya Touré and Diallo along with the other leaders of the Opposition parties, have contented publically that the CENI under the auspices of Alpha Condé are refusing to disclose the recommendations of the critical OIF report to the public and as such preventing from reviewing the WAYMARK system and contract.

Waymark had been tossed off the list of approved United Nations service providers and is alleged to be a tool of Condé's government<sup>31</sup>. Specifically, leaders of the opposition have affirmed, "Waymarck had been chosen in complete illegality. It is not the CENI but Alpha Condé and his son. The audits have proven it, they have neither the competence, nor the experience."<sup>32</sup>

The government of Guinea under the auspices of President Alpha Condé, is however still aiming to conduct the legislative elections in Guinea with Waymark, despite the voiced resistance and complaints of senior members of the opposition and the international community.<sup>33</sup>

The CENI announced abruptly in late 2012 a date for the legislative election for May 12 2012

Guinean opposition parties have however rejected the proposed date, saying they were not consulted before the decision was made and are now calling for protest<sup>34</sup>

<sup>29</sup> See: [http://www.khibary.fr/index.php?option=com\\_content&view=article&id=230:sidya-toure-un-leader-politique-engage&Itemid=155&lang=en](http://www.khibary.fr/index.php?option=com_content&view=article&id=230:sidya-toure-un-leader-politique-engage&Itemid=155&lang=en)

<sup>30</sup> <http://guineeactu.info/debats-discussions/points-de-vue/1992-non-a-waymark-et-sabari-comme-partenaires-de-la-nouvelle-ceni.html>

<sup>31</sup> Business Day, « The Bottom Line », 14 December 2012.

<sup>32</sup> Interview Celou Diallo, Guineenews, 18 December 2012.

<sup>33</sup> Interview, Cellou Diallo, Guineenews, 10 Nov 2012.

<sup>34</sup> Reuters, « EU resumes cooperation with Guinea, unblocks \$230 mln in aid », 21 December 2012

and peaceful demonstration planned for February 7<sup>th</sup> 2013.<sup>35</sup>

**WAYMARK – MAIN EMPLOYEES<sup>36</sup>:**

**PIKIE MONAHENG**



**Pikie Monaheng is the Managing Director and Chairperson of Waymark Infotech.** Pikie has over 25 years experience in business transformation, information systems design, development and implementation within the public and private sectors.

These include the Industrial Development Corporation, the Department of Labour, SA, Munich Reinsurance SA. He acquired some of his 30 years working experience at companies such as Unisys SA and IBM SA.

Pikie ran a private consulting company. Most assignments were geared towards organizational review and the design and implementation of information systems for various Government departments, parastatals, and financial institutions. Prior to running his own company he acquired an extensive experience leading the IBM Consulting - Government practice in SA.

Pikie has authored several papers on the subject of "The Traveling Salesman Problem". He has lectured in Computer Science in Canada and in Lesotho and is a keen researcher and good facilitator.

Pikie received his M.Sc. in Computer Science from the University of Victoria in Canada in 1986.<sup>37</sup>

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<sup>35</sup> <http://guineelive.com/8-actualite/16-sidya-toure-accuse-la-ceni-d-ajouter-50-0000-electeurs-sur-la-liste-au-cours-du-recensement-du-mois-de-mai-2012.html>

<sup>36</sup> [http://www.yatedo.com/s/companyname%3A\(Waymark+Infotech\)](http://www.yatedo.com/s/companyname%3A(Waymark+Infotech))

<sup>37</sup> [http://www.asaje.co.za/asaje\\_bod.html](http://www.asaje.co.za/asaje_bod.html)

<sup>38</sup> See <http://www.dwaf.gov.za/Documents/Tenders/WF7027/WF7027OB.htm>

**PULE JOEL MPSHE**



**Joel is currently the Executive director and Deputy Managing Director of Waymark Infotech**, a position he has held since April 2004. Prior to joining Waymark, Joel served in a number of organisations as CIO.

These include the Industrial Development Corporation, the Department of Labour, SA, Munich Reinsurance SA. He acquired some of his 30 years working experience at companies such as Unisys SA and IBM SA.

Joel has a B.Sc degree in computer Science and had a number of management development programs in South Africa and abroad. (Wharton School of Business University of Pennsylvania and Harvard Business School.)<sup>39</sup>

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<sup>39</sup> [http://www.asaje.co.za/asaje\\_bod.html](http://www.asaje.co.za/asaje_bod.html)



#### 4. Human Rights & Fundamental Freedom Violations In The Republic Of Guinea

Amnesty International warned: "It's deeply alarming that President Alpha Condé is resorting to exactly the same brutal methods as his predecessors."

**24.04.2012 Document sent to Mr. Ban Ki-moon General Secretary of the United Nations (UN) by Alliance for Democracy and Progress (ADP), Collective of Political Parties for the completion of the Transition in the Republic of Guinea.**

- Since the swearing in of the new President of the Republic Mr. Alpha Condé, there have been, and continue to be, several violations of human rights, and individual and collective freedoms of the Guinean people. These violations are a part of a state of mind encouraged by the President of the Republic himself.
- Indeed, during a meeting at the "Palais du Peuple" in Conakry involving the Youth of Guinea, Mr. Condé stated publicly, without hesitation or reservation, that in six months he will have finished with the opposition. Putting his intentions into practice, the government has stepped up actions of intimidation, harassment, arrests, and killings of intellectuals and opposition activists.
- Mr. Condé has used bloody repression of all peaceful demonstrations initiated by the opposition, and the obstacles to fundamental freedoms are illustrated by the following facts:
  - **February 2011** in Saoro (Prefecture of Yomou): Rural people protesting against the unlawful expropriation of their lands in favor of SOGUIPAH (a state own firm) were victims of brutal and repetitive repressions. As a result: Three murders, one rape, public humiliations, and destruction of agricultural crops.
  - **April 3, 2011** in Conakry: The day the leader of the UFDG (Union of the Democratic forces of Guinea) Elhadj Mamadou Cellou Dallein Diallo returned from a trip abroad, a bloody repression was carried out by government forces against party members. As a result: One murder, arbitrary arrests of seventy two (72) citizens, and the convictions and firing of officers previously assigned to the leader of UFDG for his protection by the government.
  - **May 10, 2011**: invasion of the residence of Cellou Diallo, the President of UFDG, by armed men, without any warrant, and in violation of Article 13 of the Constitution.
  - **July 19, 2011**: attempt to abduct Bah Oury, Vice President of UGDG, on the erroneous assertion that he sponsored the attack of the private residence of Mr. Alpha Condé.

- **September 27-28, 2011:** Bloody repression by the armed forces during the peaceful demonstration organized by the collective of the political parties for the finalization of the transition. As a result: Four (4) members of the opposition were assassinated; six hundred (600) Citizens arbitrarily detained, most of whom were in their homes; three hundred twenty-three (323) tried without any motive, among them, Soropogui Etienne, Vice-vice President of the New Democratic forces (NFD).
- **October 2011:** Rural populations across the country are victims of restrictions of their freedom to move freely and conduct business. In forest guinea for instance, the nentire population was and continues to be prevented by the authorities from selling their farm products outside their region. These measures are reinforced by armed security forces that have set up checkpoints to harass the population in this region.
- **November 2011:** Repression by the armed forces of the members of the UFDG party and their leader following the return of their leader across the country to thank his supporters. Public places were banned to the party supporters, passages were restricted, and they were even prevented from refueling their vehicles.
- **January 2012** in Upper Guinea: Mr. Lansana Kouyate, President of the party PEDN, and his motorcade were blocked by the armed and security forces, and prevented from participating in festivities organized to honor Mr. Lansana Kouyate. Supporters were violently dispersed by the use of tear gas. As a result: Dozens wounded; their property was illegally confiscated or destroyed.
- **January 8, 2012:** Death in prison and under unclear conditions of Thierno Sofiane Diallo arrested on August 29, 2011 and arbitrarily held by the security forces. According to his lawyer and his family, he was tortured during his arrest and detention.
- **January 2012:** The campaign tour of Sidya Toure, President of the Union of Republican Forces (UFR) in lower Guinea, recorded the same violence and obstructions to the freedom of movements of the leader and his supporters.
- **January 16, 2012** in Kamsar: Violent repression of the population, mostly young students protesting against the lack of electricity during the African cup of Nations. As a result: There was One (1) death and dozens wounded.
- **January 26, 2012:** Mrs. Bano Sow and Saliou Sow, both members of the UFDG party, were kidnapped and jailed without justification.
- **February 2, 2012:** Mr. Abdoulaye Manet, President of the Hamdallaye section of UFDG, was arrested at a café not far from his residence, and was deprived of all contact with his lawyers and his family.

- **February 1, 2012:** Mr. Ben Salla Traore, Federal Secretary of PEDN in Beyla, was summoned by the prefet of Beyla, Mr. Amadou Kourouma, and ordered to resign immediately from the PEDN to join the RPG party; or face severe consequences.
- **February 3, 2012:** Mr. Aboubacar SIDIBE, Federal Secretary of PEDN, was subjected to the same threats from the same government official.
- **April 19, 2012:** More than hundred women from the opposition who demanded the restructuring of then Independent National Electoral Commission were violently dispersed in the town of Dixinn where they held a sit-in at the institution in charge of organizing elections in Guinea headquarters. Police used tear gas, batons against unarmed women.

With all these violations, the government has consistently refused to open investigations to determine responsibility for the killings during peaceful demonstrations. In addition, under instructions from the government, the courts refuse to take complaints from victims' relatives.

In **July 2012**, Condé's security forces clashed with villagers demanding jobs in the village of Zogota, where Vale and BSG Resources are jointly seeking to develop an iron ore mine. Local rights groups claimed five protesters were killed, while the government has launched an investigation.<sup>40</sup>

#### **Violations of the constitution and laws of the Republic.**

- The dissolution by decree of about three dozen local elected counsels in violation of the articles 80 and 100 of the local collectivity codes. Members of the ruling party, The RPG, replaced these elected civil servants.
- The cleansing and the destabilization of the civil society.
- The stigmatization of one particular community, and the manipulation of the ethnic and regional communities by the government for political gains; with all the risks associated with these practices for the stability of the country.

#### **About the CENI and the organization of the legislative elections.**

- The signing of the joint agreement between CENI/MATD to co-manage the electoral process, despite active protests of some members of the CENI and the opposition parties. This agreement has by and large opened the doors to the MATD to take some responsibility constitutionally assigned to the CENI.

<sup>40</sup> <http://www.guardian.co.uk/world/2012/sep/24/guinea-president-country-stable-democracy>

- **The illegal and nontransparent acquisitions of 2050 electoral kits from South Africa. These kits are slated to be used for the general census of the population as opposed to the updating of the lists as stated by the law. On August 19, 2011 during a meeting of his company and the heads of concerned department from the government, one of the representatives of the South African company, Waymark, admitted that his company cannot proceed to the updating of the electoral lists on the basis of these kits.**
- **The recruiting of 4000 technical agents for the “updating of the electoral lists, which meant two agents per kit; as if the material from Waymark had been definitely selected for updating the electoral lists. Implicitly, this eliminated SAGEM in the process. SAGEM was selected on the basis of an international bid; and it established all the electoral lists that were used in the 2010 presidential election.**
- **The official ceremony at the University of Conakry of beginning of the training of supervisors and other agents by the Company SABARI which according to many commissioners has no contract in vigor neither with the CENI nor with the government.**
- The official beginning of the training of the updating agent on the basis of the kits from Waymark, which are slated for a general census and not for updating the lists.
- The signature without any consensus, not even within the CENI, of a decision setting the starting date of the updating of electoral list on October 5, 2011, throughout the whole country.
- The unilateral setting by the CENI of the date of the legislative election first on December 29, 2011, then on July 8, 2012, without consulting of all stakeholders; namely the opposition.
- The unilateral revocation of the Kindia workshop held in March 2011, namely the one related to the electoral lists and their audit before any updating. These recommendations were purely and simply ignored with the deliberate intent to drag the CENI into a fruitless and expensive process of a general census; which, today, continues to divide the political stakeholders.
- **The restructuring, without the participation of the political parties, of the composition of the members of the CENI throughout the country, with the goal of promoting the members of the ruling party, RPG at the head of all the CEPI, CESPI, and CECI to reinforce the control of the territorial administration over the CENI. According to the law, the parity of representation is required within the CENI. Today, following the restructuring of the CENI, 70% of the members are from the ruling party, while only 12% came is assigned to the opposition**
- The administrative rezoning, without consulting all stakeholders, which has the sole objective to manipulate the electorate in favor of the ruling party. As a result, the administrative commissions went from 924 to 2000.
- Training of trainers of CARLE for a full census instead of the revision of electoral lists, as training is based entirely on the **Waymark kits** that are known to be designed for a full a census.

- Scheduling of the training of 12,000 members of CARLE throughout the country, while the concerned political parties have not yet appointed their representatives; except the RPG that has all its representatives known at the office of the CENI.
- **Dismissal without reasons of central site managers, who were regularly recruited, selected, hired and trained by SAGEM to handle the daily management of databases of the electoral register.**
- Selection and assignment of new managers of central site without any association of the opposition.

**5. President Condé and his Entourage**

**SEE THE INSIDER MINING REPORT – AFRICA MINING INTELLIGENCE**

**ALPHA CONDE, AN ALL-POWERFUL MINER PRESIDENT**

**15 NOVEMBER 2012**

**a. Entourage Report – Insiders Mining Report – AMI**

- i. The Family Clan**
- ii. The Key Advisers**
- iii. Outside Backers**
- iv. The Public Sector**
- v. The Private Operators**
- vi. The Intermediaries**

**b. The Business of Aboubacar (Buba) Sampil****A FLOURISHING BUSINESS ENTREPRENEUR BENEFITING A KEY GOVERNMENT PARTNER?**

**Aboubacar Sampil shares offices with Mohamed Condé** at the Presidential headquarters in Guinea although he has no official governmental position. The ambiguity surrounding his close involvement in state affairs and mining projects while at the same time actively involved in business as a local entrepreneur appears at the very least disingenuous and disturbing. His close rapport with the President and his son are also raising increasing suspicions as to his actual functions.

Sampil had been a close friend of **Malick Condé**, Alpha Condé's younger and only brother, who died just before Alpha Condé's Investiture in late 2010. He is said to be involved as a key advisor and negotiator on behalf of the Government in areas ranging from the mining sectors to the real estate sectors. Sampil has namely been highly involved in the deal involving the strategic sale of **CBG** government shares to UAE's **Mubadala** Development Co., and the controversial negotiations with UC Rusal, through his close relationship with **Pavel Vassilliev**, the representative in Guinea of UC Rusal's owner **Oleg Deripaska**.

Sampil is currently President and CEO of Guinean-based **Rio Pongo S.A** and was previously CEO of PPM S.A. Mr. Aboubacar Sampil serves as Non-Executive Director of **Sable Mining Africa Ltd** since April 2012. He is also a director of several companies including: **Rio Nunez S.A., West Africa Exploration S.A., Guinea Métaux de Base S.A., and Kakande Natural Resources Limited**.

Sampil's current and Past Directorships are at **Rio Pongo S.A., Rio Pongo Limited, ADS Ressources Limited, Soguifer Limited, Société Financière de Guinée Limited, Finagri Limited, Guinea Real Estate Development Company Limited**.

**Four of Sampil's Companies were incorporated in 2011, of which three in October 2011. All of these recent incorporations were registered at the same address in the UK (Taparia House)**

**In February 2012 Sable Mining Africa was granted a 123.5 sq km exploration permit in the Mount Nimba area of south-east Guinea, through its 80% Guinea subsidiary West Africa Exploration SA. Sampil is a Director in both companies.**

**Furthermore Sable Mining Africa Ltd chairman Philippe H. Edmonds and the CEO Andrew Stuart Groves are connected to Agriterra Ltd. which has a concession agreement for the construction and operation of an industrial and commercial terminal in the East Zone of the Port of Conakry in Guinea.**

**Sampil's Business Related Companies - TimeLine****1. Finagri Ltd. – Director**

Incorporation Date: 19 January 1996

**Dissolution Date:** 18 November 1997**2. Rio Pango S.A. – President and CEO****Rio Pango Ltd. – Director**

Incorporation Date: 25 November 2010\*

**SUSPICIOUS ACTIVITY****\*Company Incorporated at the time of the second round of the Presidential elections of Guinea****3. PPM S.A. – former CEO****4. Rio Nunez S.A. - Director****5. Guinea Metoux de Base S.A. - Director****6. Kakande Natural Ressources Ltd. – Director**

Incorporation Date: ?

**Dissolution Date:** 22 August 2011**SUSPICIOUS ACTIVITY****Companies incorporated in the UK in August - October 2011****1. Ads Ressources Ltd. – Director**

Incorporation date: 19 Aug 2011

**TAPARIA HOUSE****2. Soguifer Ltd. – Director**

Incorporation Date: 05 October 2011

**TAPARIA HOUSE****3. Guinea Real Estate Development Company Ltd. - Director**

Incorporation date: 05 October 2011

**TAPARIA HOUSE****4. Société Financière de Guinée Ltd. – Director**

Incorporation date: 14 October 2011

**TAPARIA HOUSE**



**Latest developments**

5. **West Africa Exploration S.A.** – Director  
80% Subsidiary of Sable Mining Africa Ltd
6. **Sable Mining Africa Ltd. (BVI)** – Director (from April 2012)

**Background Information about the Sampil Related Companies**

**Sable Mining Africa Ltd (SBLM)**<sup>41</sup> - Listed on: London Stock Exchange (AIM) as resource investment company.

A resource company, Founded in 2007, engages in exploring and developing a portfolio of assets, primarily **focusing on iron ore and coal deposits in Africa**. The company's portfolio of iron ore projects include Kpo Range concession covering approximately 532 square kilometers located in Liberia; and **interest in the Nimba project covering approximately 123.5 square kilometers located in south-east Guinea**. Its coal projects comprise the Lubu coal project covering approximately 19,236 hectares in north-western Zimbabwe; the Lubimbi coal project comprising approximately 16,545 hectares in the Gwaai area of the Kariba Coal Basin; and the Rietkuil coal project located in the Mpumalanga province of South Africa. The company formerly known as **BioEnergy Africa Limited** and **changed its name to Sable Mining Africa Limited in November 2009**. Sable Mining Africa Limited was incorporated in 2007 and is based in Road Town, the British Virgin Islands.

**Registered Address:**

Romasco Place, Wickhams Cay 1,  
PO Box 3140, Road Town, Tortola,  
British Virgin Islands  
Incorporation date: 27 April 2007  
www.sablemining.com  
<http://www.sablemining.com/index.html>

**Aboubacar Sampil**, NON EXECUTIVE DIRECTOR - since April 2012 to present<sup>42</sup>

<sup>41</sup> <http://bvi-companies.blogspot.co.il/2010/12/sable-mining-africa-limited.html>

<sup>42</sup> <http://www.sablemining.com/directors.html> ;

<http://investing.businessweek.com/research/stocks/people/person.asp?personId=184351270&ticker=SBLM:LN&previousCapId=47789106&previousTitle=SABLE%20MINING%20AFRICA%20LTD>

**Sable Mining Africa Ltd chairman Philippe H. Edmonds and the CEO Andrew Stuart Groves are connected to Agriterra Ltd. which has a concession agreement for the construction and operation of an industrial and commercial terminal in the East Zone of the Port of Conakry in Guinea.**<sup>43</sup>

Agriterra Ltd (AGTA:London) 700 Employees - engages in the agricultural and associated civil engineering activities in Africa. The company purchases maize from out-growers and processes into maize meal. It is also involved in cattle ranching, beef and feedlot production, and abattoir operations; cocoa buying and trading; and palm oil plantations. The company holds 2 cattle ranches covering an area of 16,000 hectares; and approximately 45,000 hectares of brownfield agricultural land for palm oil production. In addition, **it has a concession agreement for the construction and operation of an industrial and commercial terminal in the East Zone of the Port of Conakry in Guinea.** Further, the company provides aviation services. **Agriterra Limited is based in Maputo, Mozambique.**

[www.agriterra-ltd.com](http://www.agriterra-ltd.com)

**Aboubacar Sampil companies (CEO / President or Director):**

At least 4 companies have the same Registered Address & Trading Address in the U.K at:  
Taparia House 1096 Uxbridge Road Hayes Middlesex UB4 8QH

**12 companies' were found to be connected to Mr. Sampil, some of them are dissolved.**

**Finagri Ltd.**<sup>44</sup> – Director - **(Company is dissolved since 18.11.1997)**

Status: Company is dissolved  
Company number: 03148339  
Country of registration: GB  
Incorporation Date 19/01/1996  
Dissolution Date 18/11/1997  
Registered Office: 76 WHITCHURCH ROAD CARDIFF CF4 3LX

**Rio Pango S.A.** – President and CEO

<sup>43</sup><http://investing.businessweek.com/research/stocks/people/people.asp?ticker=AGTA:LN>

<sup>44</sup> <http://companycheck.co.uk/company/03148339>  
<https://www.duedil.com/company/03148339/finagri-limited>  
<https://www.duedil.com/company/03148339/finagri-limited/people>  
<http://www.cdrex.com/finagri-limited-4367307.html>

**PPM S.A.**<sup>45</sup> – former CEO

Country: France

PPM SA is an international purchaser - **Heavy Construction Equipment – Port Equipment**

TTC, represent PPM, SA - France. PPM SA one of Terex Cranes (TTC) group of companies, in the line of Reach stackers for containers handling.

Address: ZONE INDUSTRIELLE DE LA SAULE, BP 106, 71304

MONTCEAU LES MINES CEDEX

Contact Person: M CHRISTIAN CHUZEVILLE

**Rio Pango Ltd.** - Director

**Rio Nunez S.A.** - Director

**West Africa Exploration S.A.** - Director

**Guinea Metoux de Base S.A.** - Director

**Ads Ressources Ltd**<sup>46</sup>. – Director – appointment 19 Aug 2011 - Director number: 1916246422

Incorporation date: 19 Aug 2011 — Present

Company Registration No.: 07747066

Company Origin - United Kingdom

Company Status Active

Registered Office:

TAPARIA HOUSE 1096 UXBRIDGE ROAD HAYES MIDDLESEX UNITED KINGDOM UB4 8QH

**Kakande Natural Ressources Ltd**<sup>47</sup>. – Director - **(Company is dissolved in 22.08.2011)**

**Soguifer Ltd.**<sup>48</sup> – Director –appointment 05 Oct 2011

<sup>45</sup> <http://www.metoview.com/traders-1/company/ppm-sa.html>

[http://www.ttc.com.eg/index.php?option=com\\_Content&view=article&id=5&Itemid=5](http://www.ttc.com.eg/index.php?option=com_Content&view=article&id=5&Itemid=5)

<sup>46</sup> <http://www.cdrex.com/ads-ressources-ltd-8085948.html>

<http://www.companiesintheuk.co.uk/ltd/ads-ressources>

<http://bizzy.co.uk/uk/director/1916246422/aboubacar-sampil>

<sup>47</sup> <http://bizzy.co.uk/uk/director/1916246422/aboubacar-sampil>

<sup>48</sup> <https://www.duedil.com/company/07798283/soguifer-limited>

<http://companycheck.co.uk/company/07798283>

<http://www.companiesintheuk.co.uk/ltd/soguifer>

<http://www.cdrex.com/soguifer-limited-7659219.html>

<http://www.creditgate.com/companies/07798283.aspx>

(Company is dissolved in 05.10.2011 ???)

**Soguifer Limited was founded on 05 Oct 2011 and has its registered office in Middlesex. The organisation's status is dissolved, and they have 1 associated directors - all of which are current.** Company Info:

Status: Company is dissolved  
 Registration date: 05/10/2011  
 Company number: 07798283  
 Type: Private limited with Share Capital  
 Country of registration: GB  
Registered Address & Trading Address:  
 Taparia House 1096 Uxbridge Road Hayes Middlesex UB4 8QH United Kingdom

**Société Financière de Guinée Lid.** <sup>49</sup> – Director - appointment 14 Oct 2011 –  
 Director number: 1916246422  
 Incorporation date: 14 Oct 2011 — Present  
 TAPARIA HOUSE, 1096 UXBRIDGE ROAD, HAYES, MIDDLESEX, UNITED KINGDOM, UB4 8QH  
 Company number: 07810062  
 Company status: Active  
 Country of origin: United Kingdom  
 Incorporation date: 2011.10.14

**Guinea Real Estate Development Company Ltd.** <sup>50</sup> - Director

Incorporation date: 05.10.2011

Guinea Real Estate Development Company Limited is an Active business incorporated in England & Wales on 5th October 2011. Their business activity is recorded as Activities Of Other Holding Companies N.e.c.. **Guinea Real Estate Development Company Limited is run by 1 current director. 1 Shareholder owns the total shares within the company.** It is not part of a group. The company has not yet filed accounts. Guinea Real Estate Development Company Limited's Risk Score was amended on 21/12/2012.

Status: Active - Newly Incorporated  
 Registration date: 05/10/2011  
 Company number: 07798413

<sup>49</sup> <http://www.companies-uk.co.uk/societe-financiere-de-guinee-limited-07810062>

<http://bizzy.co.uk/uk/director/1916246422/aboutacar-sampil>

<sup>50</sup> <http://www.companiesintheuk.co.uk/ltd/guinea-real-estate-development-company>

<http://companycheck.co.uk/company/07798413>

<https://www.duedil.com/company/07798413/guinea-real-estate-development-company-limited>

<http://www.cdrex.com/guinea-real-estate-development-company-limited-7706803.html>

Type: Private limited with Share Capital

Country of registration: GB

SIC Code 2007: 64209

Registered Address- Taparia House, 1096 Uxbridge Road, Hayes, Middlesex, Ub4 8qh

Aboubachar Sampil - Director

Director Ref: C16353096

Service Address:

Commune De Katoma Conakry

Guinea

Appointed: 05/10/2011

## 6. President Condé and Private Investors

**President Alpha Condé has entertained business relationships directly, or indirectly through his son Mohamed Alpha Condé, with several private investors regarding his political and business objectives in Guinea throughout his Presidency and his political campaign.**

### a. Dren Newpan

**Drew Newpan** - Powerful businesswoman with an established network in South Africa stretching all the way to President Jacob Zuma and the South African Secret Service.

Ms Newpan is at the helm of the Waymark affair and connecting Mohamed Alpha Condé to the entire South African Secret Service Network under the auspices of her good friend Jacob Zuma.

She has proven to be instrumental in raising the required campaign funds for the election campaign of Alpha Condé amongst South African Donors (Palladino) and is said to have been highly “influential and efficient” in “backing” Alpha Condé to win the Presidential election with the involvement of Waymark Infotech.

### b. Ivor Ichikowicz

Ivor Ichikowicz is the founder and CEO of the Paramount Group, a group of companies operating in the global defence, internal security and military equipment out of South Africa. It was founded in 1994 and offers a range of armoured vehicles, military aircraft, equipment and training to governments.

The company was founded by South African entrepreneur and industrialist Ivor Ichikowicz. The Group is based in South Africa, with its headquarters near Johannesburg and is owned by an undisclosed consortium of global investors. Lately Paramount group has partnered with AeroSud and is financing the production of a surveillance aircraft, AHRILAC, in South Africa.

**In Guinea, Ichikowitz appears to have benefited from his ANC associations and donations to Alpha Condé to seize assets in exchange for his funds in support of Alpha Condé’s election campaign.**

As exposed by The Mail & Guardian in 2009, Ivor Ichikowicz, the arms and oil broker took on his company jet Nelson Mandela to a Jacob Zuma election rally in Transkei, and M&G claimed that Ichikowicz has made a career from turning political connections into profit.

In December 2008, Ichikowitz flew Zuma in the luxuriously converted Boeing 727 to Lebanon and Kazakhstan for what the M&G announced were African National Congress (ANC) fundraising and business meetings. Ichikowitz later confirmed he provided that flight “gratis”. The M&G probe into Ichikowitz’s relations with the ANC and prominent Zuma backers indicated the man relations to key power-brokers which include:

- **Mathews Phosa**, who shared a number of company directorships with Ichikowitz before his elevation to ANC treasurer;
- **Moeletsi Mbeki**, brother of the former president, who opened doors for Ichikowitz into Africa;
- **Sandi Majali**, former Thabo Mbeki acolyte and business frontman for the ANC and Kgalema Motlanthe in ill-fated oil trades with Saddam Hussein;
- **Robert Gumede**, owner of IT company GijimaAST and a prominent Zuma backer;
- **Pik Botha**, former National Party politician and long-time friend of the Ichikowitz family, who provided an entrée to African leaders including former Nigerian president Olusegun Obasanjo.

Ichikowitz, also represented controversial commodities trader Glencore, partnered Majali in his 2001 bid to supply Iraqi crude to South Africa under the controversial oil-for-food programme allowing limited trade with Saddam’s Iraq

#### c. Tokyo Sexwale / Marc Wilcox

- Tokyo Sexwale devised a plan with a group of South African and international partners to take over mineral assets and mining concessions in the republic of Guinea, which the Guinean government planned to nationalize in part after revoking deals struck by previous governments in power.
- Sexwale is said to have discussed a plan with his partners **Marc Wilcox** and **Walter Hennig**, and ENRC’s **Alexander Machkevich** to buy into mining interests in Guinea. Sexwale is believed to be the driver behind two British Virgin Island vehicles, **Palladino Holdings** and **Floras Bell**, which are operationally managed by **Walter Hennig** and **Marc Wilcox**.
- **Marc Wilcox** is the chief executive of **Mvelaphanda\_Group** and is a partner of Walter Hennig and Tokyo Sexwale.
- In April 2011 Walter Hennig concluded a secret deal with the Guinean President Alpha Condé that would transfer billions of Dollars of mining assets belonging to companies such as BHP Billiton and Rio Tinto - who want to invest billions to develop the mines of Guinea – to South African intermediary Palladino Capital. The deal comprised a loan of US\$25 million to the Guinean government to finance the start-up of a new Guinean state mining company. Behind Walter Hennig and the \$25 million

loan agreement, are Sexwale; Mark Willcox, the chief executive of Mvelaphanda\_Group, and several other businessmen of South African, Polish, and British extraction. One of them is **Ian Hannam** a famous London banker who tried to arrange Rusal's float on the London Stock Exchange in 2007, but failed. The loan deal is now tipped for a potential investigation by the World Bank which would look into whether the loan was actually intended to finance a new state-mining company, as outlined in the contract, or to benefit political or individual interests in return for mining concessions. Mahmoud Thiam, the former Guinean mining minister and political opponent of President Alpha Condé, claimed that Tokyo Sexwale "was angry with the president because he was not delivering on his promises" and that Tokyo was funding the president's election campaign through the loan deal.

- On 16 July 2012 the Russian publication Аргументы и Факты (Argumenty I Fakty, Arguments and Facts) reported that Walter Hennig, through Palladino Capital 2, made a series of payments totaling \$25 million to the Guinean president's son, Mohammed Condé. The payments are said to have been executed by Walter Hennig from an account held in Turks and Caicos into an offshore account held by Mohammed Condé in Monaco.
- The money was originally lent by Walter Hennig's offshore company, Palladino Capital 2, in order to start the state mining company but various news articles have cited anonymous sources who have claimed that the USD25 million was never reflected in the country's accounts.
- When faced with these accusations, Sexwale has declined to comment personally and instead has released statements through his spokesperson Xolani Xundu that he would not confirm or deny any of the claims from "faceless sources".

#### d. Walter Hennig

Olaf Walter Hennig is a South Africa-based businessman who traded diamonds in Angola and the Democratic Republic of the Congo. Hennig was born on 7 October 1972 and has business interests in South Africa and the United Kingdom, according to UK Companies House records of Yoshiko Enterprises Limited. He is known for throwing lavish New Year's Eve events at a private venue in Clifton, Cape Town, which are well attended by celebrities and politicians.

Walter Hennig is the operational mastermind behind the Palladino Scandal. Some critics perceived a political undertone to the deal, citing Mr Hennig's connections to businessmen linked to South Africa's ruling African National Congress (ANC), the continent's strongest political force. The non-concessional controversial loan also raised eyebrows among international creditors, led by the IMF and World Bank, which were negotiating \$2.1bn of debt relief for Guinea and were not informed about this loan who did not appear in the state budget or official finance briefs.



Walter Hennig founded Palladino in 2003 with a vision of creating an investment vehicle to consolidate various strategic assets in Africa. Palladino focuses on early stage predominantly African resource, property and industrial projects and it currently holds a variety of significant energy, mining and other assets in Africa. Hennig is also behind **Floras Bell**, the BVI company used as a vehicle for the Palladino loan scandal.

“**Palladino Holdings**” and “**Palladino Capital 2**” are both registered at the same BVI address:

Palladino Capital 2  
Whichkham cay 1, PO Box 2087  
Road Town, Tortola, BVI

In January 2008 **Mvelaphanda Holdings, OZ Management (a subsidiary of Och-Ziff Capital Management Group)** and **Palladino Holdings** announced the creation of a new joint venture, **Africa Management Limited**.

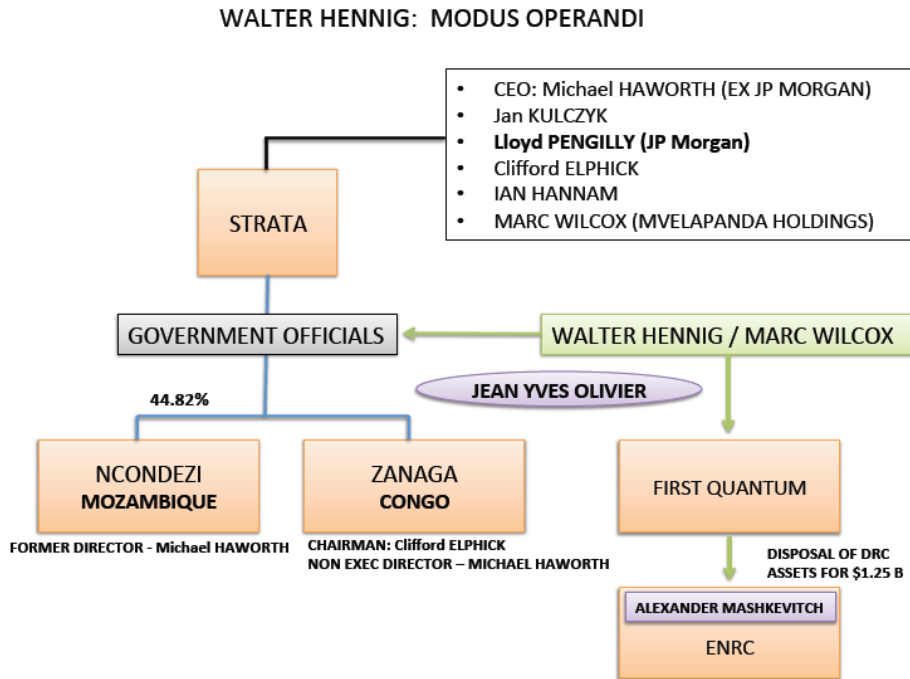
As part of the joint venture, Africa Management Limited established African Global Capital, as a vehicle for investment in both the private and public markets across Africa, focusing on natural resources and related opportunities.

**Tokyo Sexwale**, founder of **Mvelaphanda (Mvela) Holdings**, highly involved in the set up said: "We intend to build on our already strong foothold in African investments in partnership with **Och-Ziff**. The partnership with Och-Ziff in African Global Capital will help us accelerate in building the leading African investment firm." **Mvela Holdings** is a privately owned investment company founded in 1998 by Tokyo Sexwale, Mikki Xayiya and Mark Willcox. Mvela Holdings is the controlling shareholder of **Mvelaphanda Group** and has a significant interests in **Mvelaphanda Resources**.

Walter Hennig is the CEO of Mvelaphanda Logistics. Mvelaphanda Logistics is part of Mvelaphanda Holdings.

Walter Hennig is currently being investigated by the Serious Fraud Office in the United Kingdom for his involvement in the Palladino Scandal.

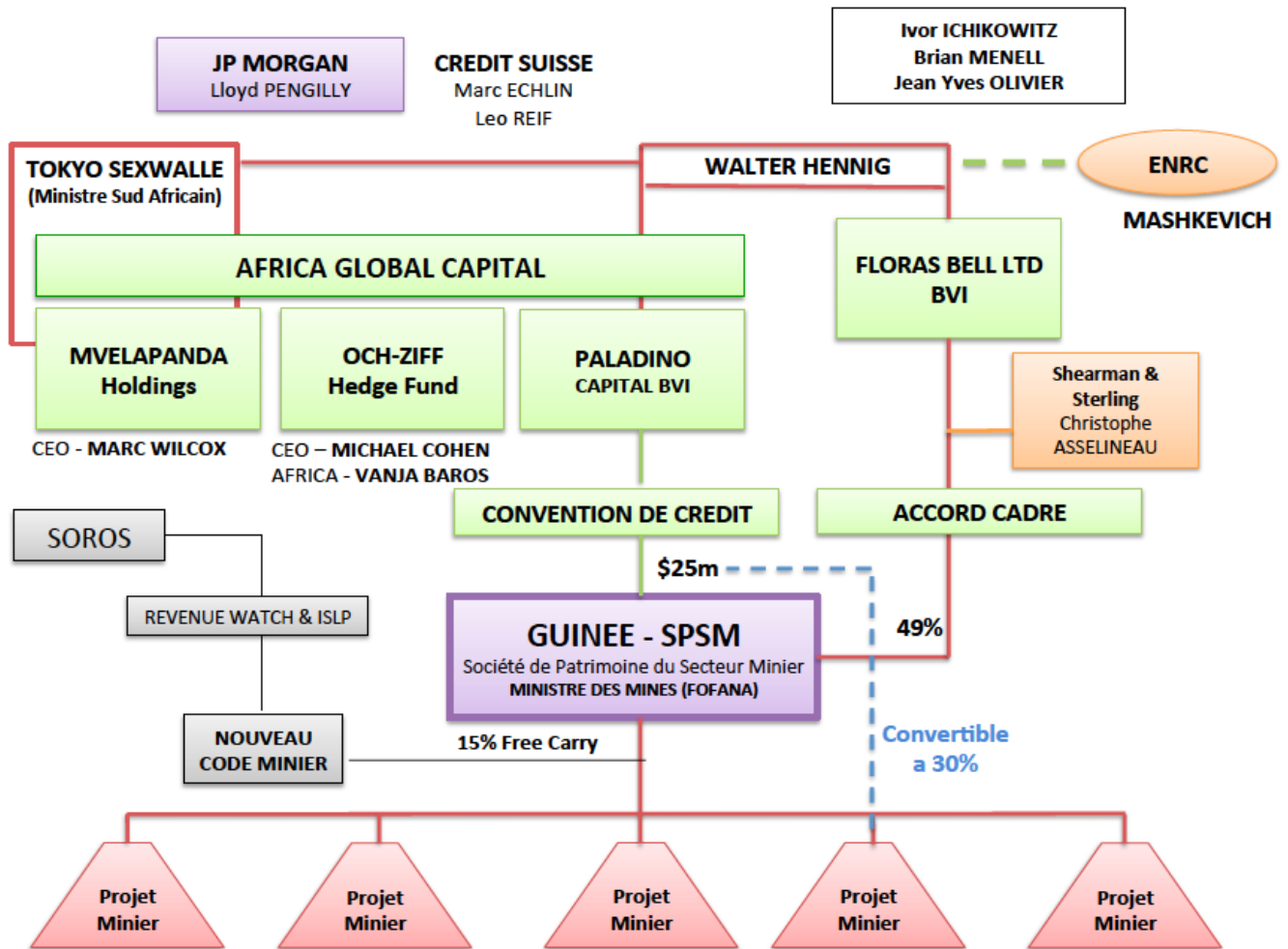
During investigations into the Palladino loan Walter Hennig has been linked to:



- **Michael Haworth**, managing partner of Strata Capital UK
- **Jan Kulczyk**, said to be Poland’s richest man
- **Lloyd Pengilly** – see details below
- **Vanja Baros**, Africa Director of the Och-Ziff Capital Management Group. Baros led Och-Ziff’s operations into Africa together with Walter Hennig and Mark Willcox.
- **Clifford Elphick**, a one-time personal assistant to Harry Oppenheimer and founder of Gem Diamonds
- **Ian Hannam** – See details below

On **19 July 2012** the Russian publication Аргументы и Факты (Arguments and Facts) reported that Walter Hennig, through Palladino Capital 2, made a series of payments totalling \$25 million to the Guinean president's son, Mohammed Condé. The payments were made by Walter Hennig from an account held in **Turks and Caicos** into an offshore account held by Mohammed Condé in **Monaco**.

THE PALLADINO SCHEME



*The Palladino loan to SPSM (today SOGUIPAMI)*

#### e. Och-Ziff / Daniel Och-Ziff

Och-Ziff Capital Management Group LLC (listed on the NYSE: OZM) is one of the world's largest institutional alternative asset managers with offices in New York, London, Hong Kong, Tokyo, Bangalore and Beijing. Och-Ziff has over US\$30 billion of assets under management.

Daniel Och, is the Chairman and Chief Executive Officer of Och-Ziff. Daniel Och is a friend and partner of Tokyo Sexwale.

In January 2008, Mvelaphanda Holdings and OZ Management LP, a subsidiary of **Och-Ziff and Palladino Holdings Ltd** (BVI) announced the creation of a joint venture, named **Africa Management Limited**.

As part of the joint venture, Africa Management Limited established African Global Capital I, L.P. ("African Global Capital"), as a platform to invest in both the private and public markets across Africa, with a bias towards natural resources and related businesses. **The new joint venture aimed to combine the regional infrastructure and expertise of Mvela Holdings and Palladino together with the global investment management expertise of OZ Management.**

African Global Capital consists primarily of assets contributed by Mvela Holdings and Palladino, and a capital commitment from funds managed by OZ Management for the acquisition of additional assets and the further development of existing investments. **It was under the structure devised by the Palladino vehicle that Daniel Och attempted to get involved in the Guinean mining concession held by Rusal, Hyperdynamics, Vale BSGR, BHP, and Rio Tinto.**<sup>51</sup>

#### f. The Bankers: Iain Hanam & Lloyd Pengilly

Iain Hanam is a London banker of JPMorgan Cazenove who tried to arrange Rusal's float on the London Stock Exchange in 2007, but failed. He has been named in the Palladino Affair through his involvement in setting up the loan with Walter Hennig.

**Lloyd Pengilly** a London banker formerly with JPMorgan Cazenove and is famous for structuring large resource related deals in Europe, Middle East and particularly Africa. He was acting in an advisory position on behalf of Walter Hennig at the time of the Palladino Affair. He has also been cited in various press reports as having been instrumental in masterminding the future envisioned second phase of the Palladino strategy with the Government of Guinea, were they to succeed in snatching up 30% of the State Mining Company holding directly up to 35% of shares in all of the Country's

<sup>51</sup> PR Newswire, <http://www.prnewswire.co.uk/news-releases/mvelaphanda-holdings-och-ziff-and-palladino-create-joint-venture-to-focus-on-natural-resources-in-africa-155642325.html>

mining projects through their participation in the Government Mining Company, SOGUIPAMI. Lloyd Pengilly and his client, Walter Hennig, devised a plan to subsequently “flip and float” their juicy shares on the London Stock Exchange shortly after they would be secured. Pengilly was prepared to underwrite and file the IPO through JPMorgan Cazenove when the time would be ripe for the transaction.

#### g. Bernard Kouchner

Bernard Kouchner (born 1 November 1939) is a French politician, and doctor. He is co-founder of Médecins Sans Frontières (MSF) and Médecins du Monde. From 2007 until 2010 he was the French Minister of Foreign and European Affairs in the center-right Fillon government under president Nicolas Sarkozy, although he had been in the past a minister in socialist governments. Kouchner is the founder in June 2011 of “**No Borders Consultants**”. He is allegedly building a new Children's Hospital in Conakry, as well as advising the President to establish a National Health Insurance.<sup>52</sup>

The two men became friend in the Turgot high school<sup>53</sup> in Paris about a half-century ago and their friendship is still intact. For proof, Bernard Kouchner was invited to Alpha Condé's inauguration ceremony in Conakry, the opportunity for the president Condé to embrace publically his "twin brother," according to Pierre-André Wiltzer, former Cooperation Minister under Jacques Chirac, who witnessed the scene.

Bernard Kouchner has been in Guinea every month in the beginning to follow the construction of a maternity hospital in Conakry. It's his project. Fully funded by sponsors, such as Sanofi, EDF and Total, for whom he had in the time submitted a controversial report on child labor in Burma. Sponsors who pay him even his tickets to Conakry.

He says that he work as a "volunteer," like the advice he gives to his friend Alpha Condé. He recommended in particular the implementation of a social security, as he previously did in Gabon .

According to the journalist Antoine Glaser, an Africa specialist, African heads of state, such as Alpha Condé are "always in search of Parisian influence networks which are important to their image"

When in Conakry, Kouchner rides in a vehicle of the Presidency. According to Lama Bangoura, from the Guinea Opposition, Kouchner is actively doing business in Guinea.

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<sup>52</sup> <http://www.youtube.com/watch?v=mqlXpZPGeWw> ; See also: <http://www.rue89.com/confidentiels/2011/06/28/bernard-kouchner-redevient-consultant-sans-frontieres-211272-0>

<sup>53</sup> See France Info, 7 Dec 2011: <http://www.franceinfo.fr/politique-guinee/le-plus-france-info/les-petits-conseils-benevoles-de-bernard-kouchner-465183-2011-12-06>

For his friend Alpha Condé, Bernard Kouchner opened his entire address book. According to information sourced by France Info, a renown French Media outlet, Alpha Condé was thus able to casually get in touch with Christine Lagarde at the IMF, the billionaire George Soros or Tony Blair, former British Prime Minister who advises other African countries: Sierra Leone, Liberia, Rwanda, with whom he has a two million dollar contract.

Volunteer? Some doubt. According to Lama Bangoura, a leader of the Guinean opposition, Bernard Kouchner has "an office in the premises of Bolloré in Conakry", he "rides in a vehicle assigned by the Presidency of the Republic with military bodyguards of the Guinean Presidential Guard "and" has done and is doing business in Guinea. "



*Kouchner at Condé's inauguration ceremony*

#### h. François de Combret



François de Combret, born July 12, 1941 in Paris, is an investment banker, a former partner at Lazard, "managing director" of FC Finance.

Valedictorian at the entrance to the prestigious ENA (1963), François de Combret in 1967 became Magistrate of the Court of Auditors.

In 1971, he was called as a counselor in the Office of Valéry Giscard d'Estaing, Minister of Economy and Finance, which he followed at the Presidency of the Republic in 1974.

He remained with the President for the duration of the seven-year term, first as a counselor for economic and industrial affairs and then as Deputy Secretary General of the Elysee.

After the 1981 presidential election, François de Combret is recruited by the bank Lazard. He spent three years in New York (1982-1985); he met Bernard Arnault, chairman of LVMH, and managed with Lazard the takeover of Boussac group. He was appointed Managing Partner of Lazard in Paris, where he held office for over 20 years (1985-2005).

During this period, he is primarily responsible for advising France Telecom, Renault, and Aerospace privatization, and participated in numerous merger and acquisition, such as the creation of EADS and Safran, the Renault-Nissan alliance or YSL acquisition by PPR.

In 2005, at the sale and the IPO of Lazard, François de Combret left Lazard to UBS (2006-2009), and Calyon Crédit Agricole CIB (2010-2011), before creating the company financial advisory FC Finance, where he is "managing director".

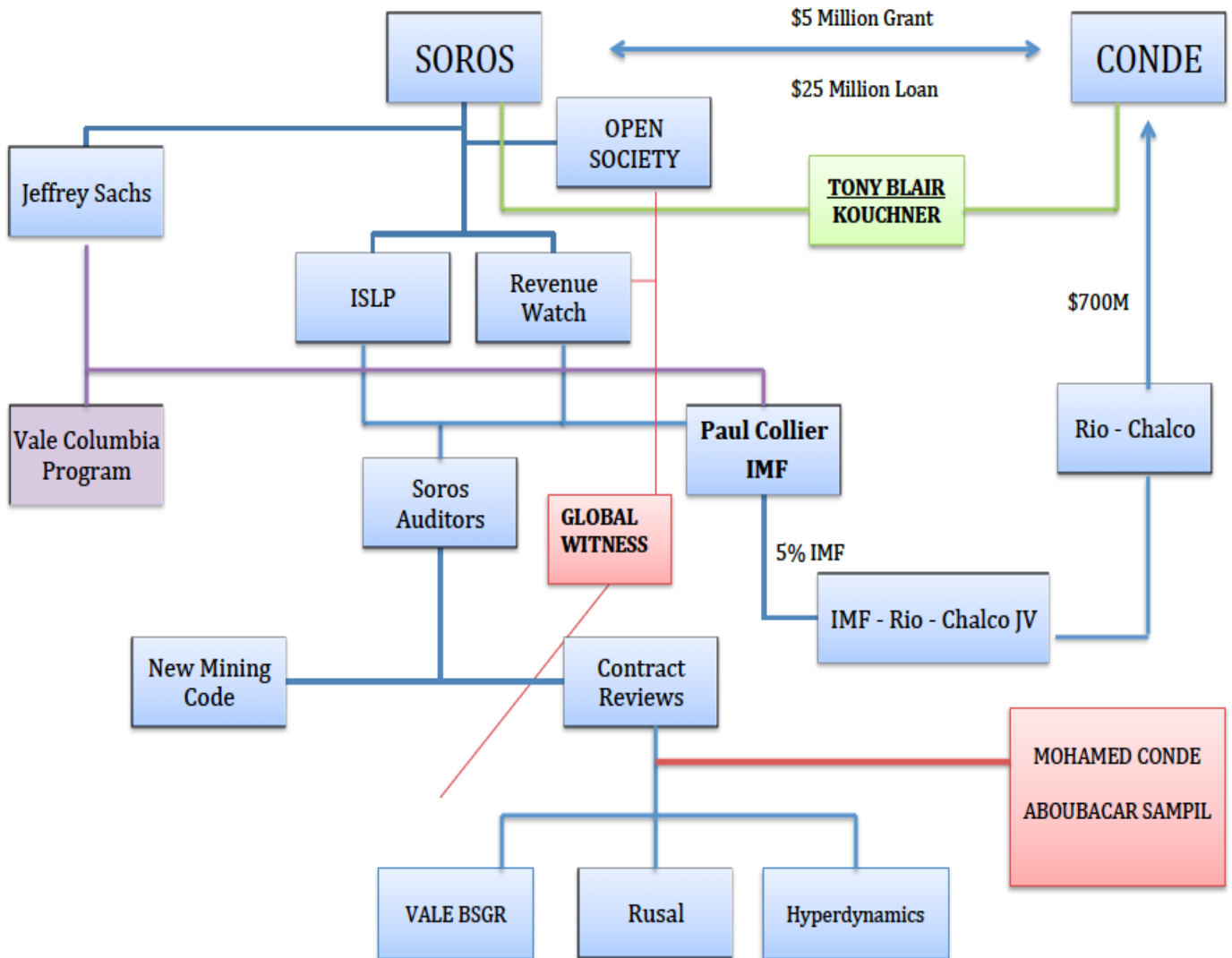
Francois de Combret sits on the Supervisory Board of the French company which was involved in the Guinea first round of the elections, **SAGEM**. De Combret is also a board member of the holding company which owns SAGEM, the **SAFRAN GROUP**.

**De Combret has been a key negotiator and advisor of Alpha Condé on the controversial Settlement Agreement with Rio Tinto, involving the \$700 million payment to the Government of Guinea.**

**Sources have alleged that George Soros does not like Francois de Combret and has attempted to sideline him from influencing the President on State or Mining Matters.<sup>54</sup>**

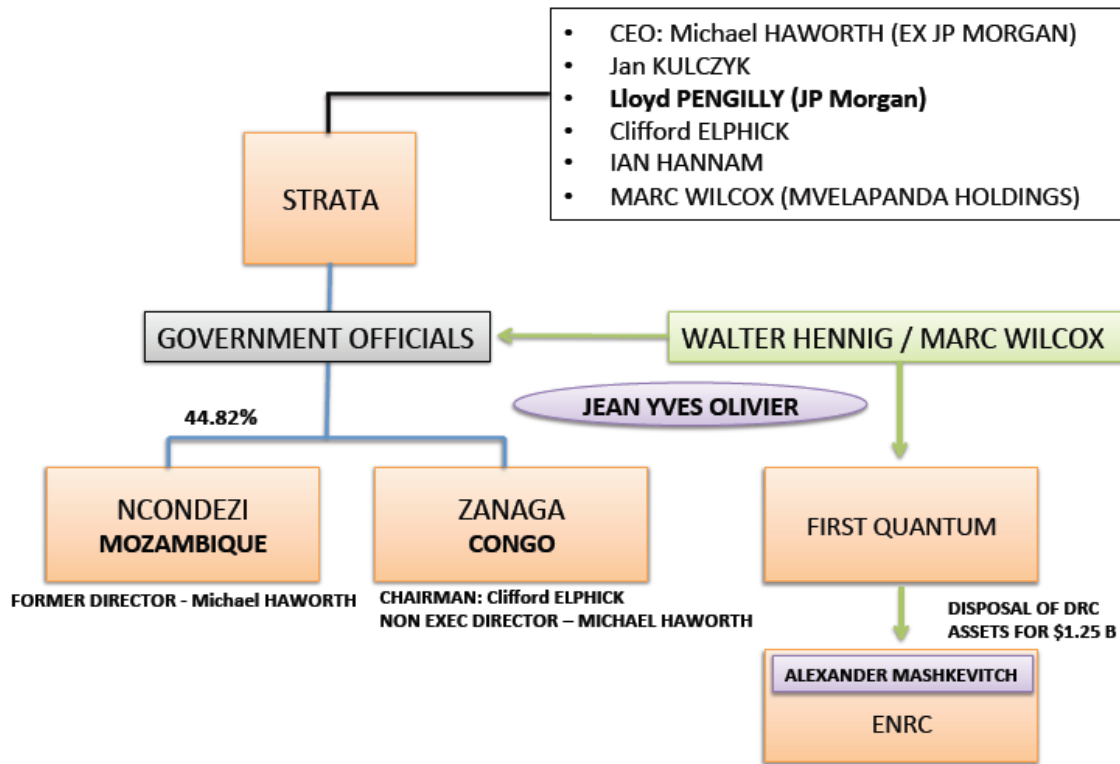
<sup>54</sup> [http://fr.wikipedia.org/wiki/Fran%C3%A7ois\\_de\\_Combret](http://fr.wikipedia.org/wiki/Fran%C3%A7ois_de_Combret)  
[http://www.lenouveleconomiste.fr/portrait-francois-de-combret-11116/#.UPz3Nyf2\\_ng](http://www.lenouveleconomiste.fr/portrait-francois-de-combret-11116/#.UPz3Nyf2_ng)

THE CONTRACT REVIEW PROCESS





WALTER HENNIG: MODUS OPERANDI



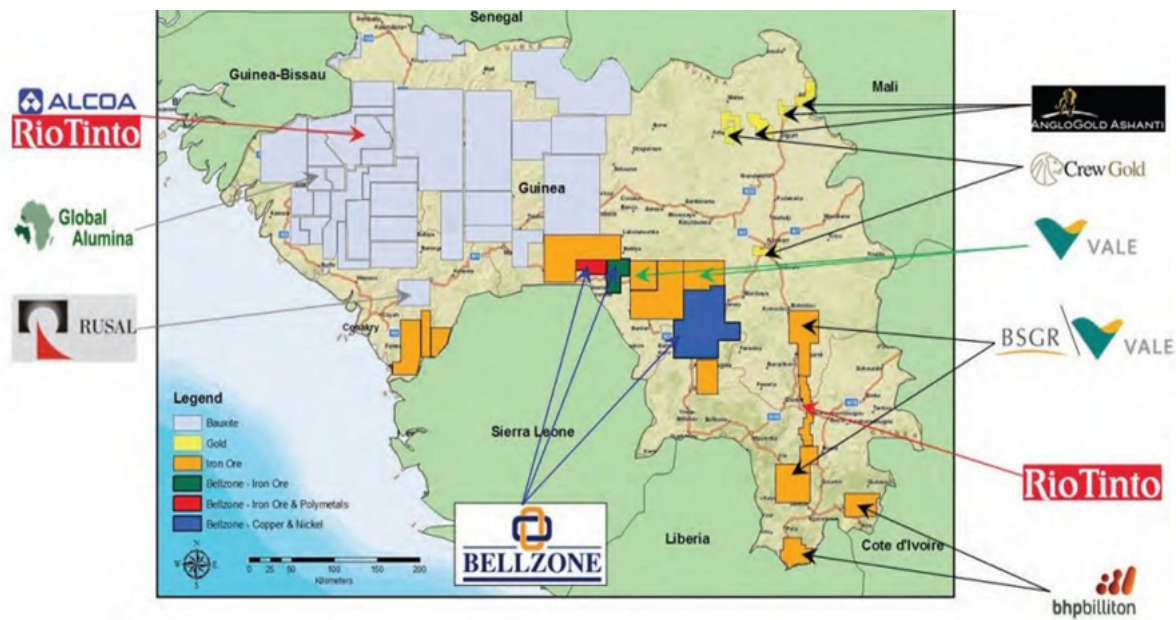
## 6. The Scandals Which Have Tainted The Guinean Mining Industry

### A. General

Several major scandals have erupted in Guinea with regard to the mining industry, which have been largely reported in the international Press and show that the government has attempted to nationalize-then-flip assets in order to make a quick cash profit for the benefit of the President’s entourage and his benefactors. By doing so, the President launched a crusade against the miners that were involved on the largest and most promising projects in the country.

The Government further utilized the legitimacy of a newly created Mining Code with the help of international consultants such as Revenue Watch financed by controversial investor and political philanthropist George Soros, to squeeze miners in hefty Settlement Negotiations involving hundreds of millions of dollars.

### B. Map Of The Main Guinean Mining Projects



### C. The CIF – Sonangol – Bellzone Scandal

#### The \$7 billion mining and infrastructure agreement

In October 2009 (before Condé's election), the Guinean government announced a \$7 billion mining and infrastructure agreement with a Hong Kong-based firm, the China International Fund (CIF), in partnership with the Angolan state-owned conglomerate Sonangol. It was during 2008, while the junta regime was diplomatically isolated and desperate for cash, that the CIF approached Mahmoud Thiam, an investment banker who was then Guinea's mining minister, with an offer to provide much-needed financial support.

At the time the CIF arranged for Sonangol's powerful CEO and President Eduardo Dos Santos's heir apparent, **Manuel Vicente**, to fly to Conakry to convince him. Within six months, Thiam had signed what he called the "contract of the century." In a press conference on October 10, 2009, he announced that CIF would be investing from **US\$ 7-9 billion in Guinea**. CIF was given rights to explore three large areas of Guinea in return for infrastructure projects proposed by the government. **CIF then transferred US\$ 100 million from a Bank of China account in Hong Kong to the Guinean Central Bank** as an advance on the infrastructure projects they had promised. Thiam said in an interview that he had requested use of US\$ 50 million for "emergency budgetary support" because the government was then short on cash.

On October 21, 2009, **CIF lent the Guinean government US\$ 3.3 million to audit** a rival Russian company, **Rusal**, the world's largest aluminum firm, which had mining concessions that China Sonangol was interested in acquiring. **The loan agreement specified that CIF would receive 1.8% of the money recovered from Rusal** by the Guinean government and was signed by Thiam. When asked about the reason for obtaining funding from China Sonangol for the audit, Thiam said "it was the only place where we could get that money." The audit of UC Rusal was later completed by Alexander Stewart International.

In Guinea, meanwhile, CIF's relationship with the newly democratically elected government that came to power in 2010 seems uncertain. According to Reuters reports the new administration is saying that the CIF contract had been overturned although no official document has evidenced this move to date.

### The Hostile Attempt on Simandou by CIF-Bellzone

In June 2010, CIF signed an agreement to finance **\$2.7 billion** in infrastructure connected with the development of Australian company Bellzone's proposed **\$4.45 billion** Kalia iron ore mine in Guinea.

An article from **The Sunday Times** dated 6 May 2012 revealed that China International Fund (“CIF”) and **Bellzone were attempting to negotiate a deal with the Guinean government in respect of Simandou mines**<sup>55</sup>

According to this article, in August 2012, that is four months after Rio Tinto’s Simfer S.A. announced a settlement agreement with the government in respect of an ore deposit in Simandou, **CIF and Bellzone pitched for the same Simandou deposit**. It promised, as Rio Tinto’s Simfer S.A. had, to build a railway corridor across the country and offered 700 million USD in cash as “prepayment of mining tax and profit”.

<sup>55</sup> Sunday Times, “Chinese eye Rio’s African jewel; Syndicate of Hong Kong tycoons hatches secret plan to snatch world’s untapped iron ore reserve from Rio Tinto, 6 May 2012

#### D. The Palladino Scandal

International media indicated that on 12 April 2012, Minister of Mines Mohamed Fofana agreed to a confidential USD 25 million loan agreement with Palladino Capital (a company controlled by Walter Henning and incorporated in the British Virgin Islands).<sup>56</sup>

It was reported that the purpose of this agreement was to finance capital expenditures and other general needs related to the creation, operation and activities of the national mining company, SOGUIPAMI<sup>57</sup>, the interest rate on the loan being way over market value<sup>58</sup>.

As reported in the Sunday Times, this loan agreement provided that in an event of default, Palladino would be entitled to convert the amount owed to it into a 30% stake in SOGUIPAMI which purported to hold a 15 % right in the share capital of all mining companies holding permits in Guinea pursuant to the New Mining Code, in addition to an optional 20% at market rate.<sup>59</sup> Such system contravened both mandatory budgetary rules which prohibit set off and civil law which require a decision by a Court to transfer the pledge to the creditor.

Palladino is said to have refuted the press report<sup>60</sup> but is being investigated by the Serious Fraud Office (SFO). The deal has prompted a World Bank investigation<sup>61</sup> and both the government and Palladino have forgone their arrangement<sup>62</sup>

In July 2012, the president's office announced that SOGUIPAMI had paid back the \$25 million loan in full to Palladino, along with \$925,000 of interest.

The affair remains a sensitive one because it involves pillars of the Condé regime like finance minister Kerfalla Yansané and mines minister Mohamed Lamine Fofana. South African minister Tokyo Sexwale is also implicated through his close business ties with Walter Hennig.

Lastly, Ahmed Kanté, the current director of the Société Guinéenne du Patrimoine Minier (SOGUIPAMI) is also implicated in the affair. This former central bank cadre was made

<sup>56</sup> The Sunday Times, "Secret Deals Threatens Big Miners", 3 June 2012; Business Day, "Why Genuine Miners Avoid Guinea", "Wheeling and Dealing in Guinea", June 2012; Reuters, "Guinea to pay back \$25 mln Palladino loan", 20 June 2012; Kaloumpresse (, "Yansané announces the cancellation of the deal between Guinea and Palladino", 19 June 2012; Ventures Africa, "Guinea – Palladino Capital agrees \$25m loan Pay Back Terms, 20 June 2012; The Independent, "African Deal for Mines is Scrapped as Valuation Fears Mount", 23 June 2012; The Sunday Times, ""Sweetheart Deals" sour Guinea's plan for Mining", 22 July 2012; NAPSI, "Backroom Deals Threaten American Interests, July 2012; The Australian, "BHP Billinton to put its Mount Nimba Iron ore project in Guinea up for sale", 16 July 2012; Russian "Bek", "Two faced Tokyo", 19 July 2012

<sup>57</sup> Kaloumpresse, "Yansané announces the cancellation of the deal between Guinea and Palladino", 19 June 2012

<sup>58</sup> Business Day, "Why Genuine Miners Avoid Guinea", June 2012

<sup>59</sup> The Independent, "African Deal for Mines is scrapped as valuation Fears Mount", 23 June 2012

<sup>60</sup> Reuters, "Guinea to pay back \$25 mln Palladino loan", 20 June 2012

<sup>61</sup> The Australian, "BHP Billinton to put its Mount Nimba Iron ore project in Guinea up for sale", July 2012

<sup>62</sup> Kaloumpresse, "Yansané announces the cancellation of the deal between Guinea and Palladino", 19 June 2012; See also: Russian "Bek", "Two faced Tokyo", 19 July 2012

special adviser on the mining sector, a rank equal to minister by Alpha Condé prior to leading the SOGUIPAMI.<sup>63</sup>

In April 2011 Walter Hennig concluded a secret deal with Alpha Condé that has the potential to transfer billions of Dollars of mining assets belonging to companies ranging from BHP Billiton, Rusal and Rio Tinto to South African intermediary Palladino Capital. The deal comprised a loan of US\$25 million to the Guinean government to finance the start-up of a New Guinean state mining company (SOGUIPAMI will be established 4 month later in August 2011). Behind Walter Hennig and the US\$25 million loan agreement, are Sexwale; Mark Willcox, the chief executive of Mvelaphanda Group, and several other businessmen of South African, Polish, and British extraction. The deal was signed by Guinea finance minister, Kerfalla Yansane, the Mining Minister Mohamed Lamine Fofana and Samuel Mebiane, who was listed as a “proxy holder” for Palladino. This loan of US\$25 million has never been publicly revealed to Guineans, or ticked off in the national budget. The cash allegedly disappeared. The terms of the loan include a default clause, which gave the lender a juicy 30 percent stake in the New Guinea State Mining Company (later called SOGUIPAMI). A thirty percent share is especially significant given Guinea’s new mining code engineered by advisors billionaire trader George Soros and Palladino’s South African owner Walter Hennig. After the code was adopted in September 2011 (5 month after the signing of the Palladino loan), the President set up a commission to review deals struck during the chaotic days between the end of dictatorship in 2008 and Condé coming to power. It also gave the state mining company the right to take 15% of every mine in the country free of charge, plus a further option on 20% at market rates.

The exposure of this deal shocked the mining industry and the Guinean people.

<sup>63</sup>

The Africa Report, 19 Nov 2012 : [Guinea: Ahmed Kanté leads charge for a greater state role in mining](#)

## E. The AIOG – Chinese Backdoor Scandal

As reported by Africa Mining Intelligence, the government of Guinea, the 51% shareholder of SIMFER (the 49% remaining being held by Rio Tinto, Chinalco and the International Finance Corporation (“IFC”)), requested the African Iron Ore Group (“AIOG”) a junior company listed on London’s AIM and headed by Ethelbert Cooper to provide the funds needed for the construction of the Transguinean railway and an ore terminal<sup>64</sup>

In exchange the Republic would have agreed to provide AIOG 40 % of its 51% stake in SIMFER<sup>65</sup>.

According to Africa Mining Intelligence, the deal with AIOG triggered investigation from the IFC as it found out that the contract was awarded without competitive bidding and the agreed consideration offered by the government for AIOG’s funding was highly excessive.

A corporate presentation circulated by the International Mining & Infrastructure Corporation Plc (IMIC) indicates that IMIC would have subsequently entered into a strategic partnership agreement with AIOG per which IMIC would have been granted an option to acquire up to 90% of AIOG in 2017.<sup>66</sup>

**December 2011** - AIOG and SOGUIPAMI formed a joint venture named IMG. SOGUIPAMI 60% and AIOG 40% in IMG. IMG will own the Guinea’s 51% interest in SPV Simfer in Simandou

**April 2012** - Ahmed Kante is appointed as full-time executive director in SOGUIPAMI.

### In the same period of time IMIC signs 3 agreements With Chinese companies:

19 April 2012 - **with China Railway Group Limited**

23 April 2012 - **with China Machinery Engineering Corporation (CMEC)**

24 April 2012 - **with Metallurgical of China Limited.**

**May 2012** – SoguiPami delegation visit the Indian company Archean based in Dubai and Chennai

**August 2012** – SOGUIPAMI signs an MOU in China with Gezhouba Group International Engineering Co. Ltd. (CGGC)

**July 2012** - SOGUIPAMI sign an MOU in China with Auspicious Team Investments Ltd.

<sup>64</sup> Africa Mining Intelligence, “Simandou: Why the IFC frowns on AIOG”, September 2012

<sup>65</sup> <http://www.miningweekly.com/article/poverty-in-guinea-as-mine-wrangle-stalls-simandou-bonanza-2012-12-12>

<sup>66</sup> <http://www.imicplc.com/news/archive.aspx>

**The AIOG Proposal to the Government of Guinea**

**Project 1 - Simandou South Mining & Related Infrastructure**

- Rio Tinto’s Simandou South iron ore project is one of the world’s largest undeveloped iron ore deposits
- Contains one of the highest-grade and largest single hematite iron ore deposits
- Development of the project includes largest mining related infrastructure project ever developed in Africa
- Overall total project cost, including infrastructure development, estimated at US \$10Bn
- Commercial iron ore deliveries scheduled to commence in mid-2015
- At full production, Simandou South is expected to produce 95Mtpa



Potential annual tonnage production which could be unlocked by rail

Kalia - 50 million  
 Simandou North - 100 million  
 Simandou South - 95 million  
 Nimba - 30 million  
 Total - 275 million

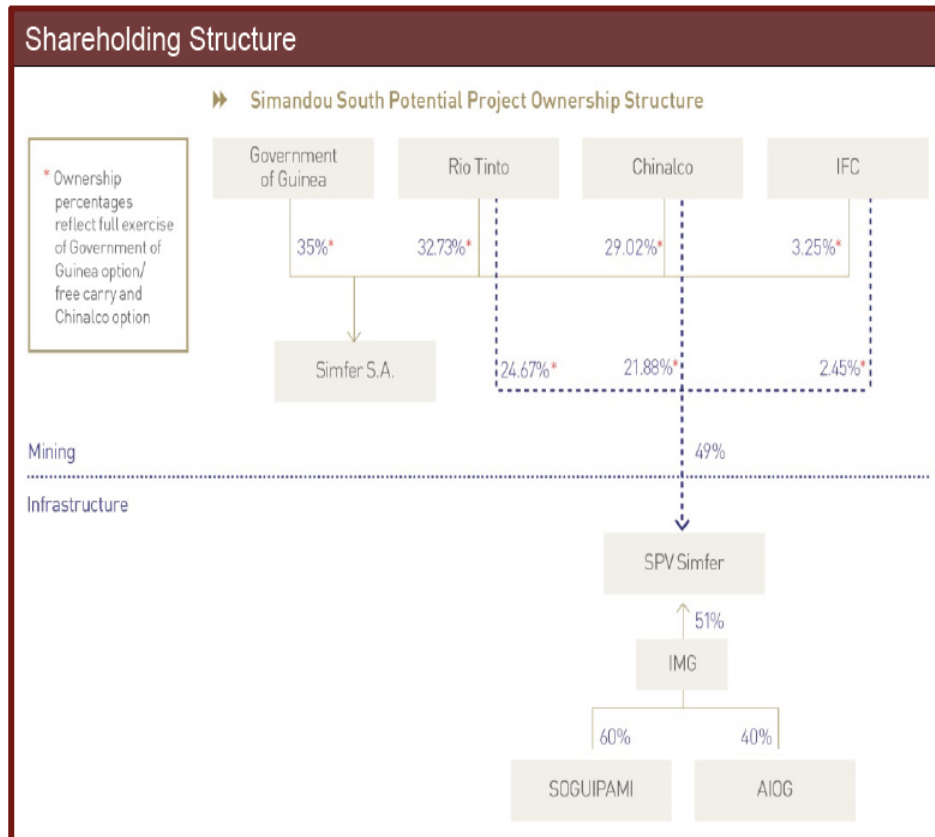
— Planned railway for Simandou South project  
 — Potential unified national rail route





**The Structure of the Deal After the Implementation of the New Mining Code**

**IMIC & AIOG's First Joint Project: Ownership Structure**



## F. The BTG Pactual Scandal

Roger Agnelli, the CEO of Vale between 2001 and 2011, and the investment bank BTG Pactual (controlled by André Esteves) in 2012 extended an offer to the Republic of Guinea to become its exclusive financial consultant in all transactions with investors involving the entire Simandou Complex (which includes the Rio Tinto project and the Vale project)<sup>67</sup>. BTG Pactual also offered to advise in respect of the restructuring of the Republic's assets.

To carry out the related discussions, Mohamed Condé, the son of acting President Condé would have flown to Brazil in a private jet along with Minister of Mines Mohamed Lamine Fofana, Minister for public works and transportation Ousmane Bah and Mamadi Condé in charge of the administration and control of major projects<sup>68</sup>. Mohamed Condé would have acted as the intermediary between the Guinean government and BTG Pactual<sup>69</sup>.

As reported in the press, “the catch is the payment form suggested by the Brazilian Bank: cash or non-monetary assets, such as mineral reserves or parts of railways or ports. As the government faces critical shortage, it is more likely that BTG would pay with ore deposits”<sup>70</sup>.

This prompted VBG to put BTG Pactual on notice to refrain from tortiously interfering with its rights .

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<sup>67</sup> Exame Brazil, “Army officials on the streets of Guinea’s capital: A typical and sad African image”, 19 September 2012

<sup>68</sup> Africa Mining Intelligence, “President’s son promotes Guinea-Brazil ties”, September 2012

<sup>69</sup> Reuters, “Vale faces talks with former CEO Agnelli and USD 2bn outlays to stay in Simandou, Guinea iron ore project: Report”, 14 September 2012

<sup>70</sup> Exame Brazil, 19 September 2012

## G. The RusAl Affair and Alpha Condé

Guinea's new government under Alpha Condé, has returned to the old dispute with RusAl over the Friguia bauxite and alumina complex. Guinea may file a \$1b lawsuit against RusAl. The government claims that it was the sum that the state lost as the result of RusAl's illegitimate acquisition of the refinery.

A RusAl-operated plant at Friguia produces 2.1m tones of bauxite per year, which makes up for 15.3% of net production of RusAl in 2010. RusAl acquired the plant for \$19m.

After Capt Moussa Camara took power in Guinea in September 2009, a Guinean court ruled that the 2006 deal had been illegitimate, because the then-government had sold the refinery to RusAl at the price much lower than its valued cost (\$257m). Camara's administration made a probe into the RusAl operations. The company faced \$860m sanctions for tax evasion and non-payment of royalties. Later, the sum was rounded up at \$1b. In December 2009 Capt Camara suffered the attempt on his life and fled the country. In March 2010 the Guinean appellation court overturned the ruling of the lower court about illegitimacy of Friguia's acquisition.

In November 2010 the government in West Africa's Guinea again changed: Alpha Condé, leader of the Rally of the Guinean People party, took power. In April 2011 the new government decided to reconsider the mining deals. Rio Tinto, one of the world's largest mining companies, which is engaged in Simandou iron-ore project, agreed to repay \$700m with the possibility of returning 35% of shares to the country (including 15% for free).

But RusAl has already taken preventative measures. In July 2011 Friguia asked Paris-based International Court of Arbitration to consider the dispute between the owner of the company and the government. As in 2009, Friguia again wants to transfer the arbitration to the international court.<sup>71</sup>

**In April 2011** – The President Alpha Condé gave a report prepared by **Alex Stewart International** to the Russian envoy to Guinea, Alexander Bregadze. The report called on RusAl to pay almost **USD 1 billion** in compensation for loss of earnings linked to the privatisation of Friguia in 2006.

The same day a meeting between Condé and a Russian delegation led by natural resources minister **Yury Trutnev** turned rather frigid because the president declined to receive **Oleg Deripaska**, boss of RusAl.

Another Guinean source claims the business issues have become personal between Condé and Deripaska after the April door-closing incident, and **after Deripaska sought support from Condé's wife, Djene Kaba Condé.**

<sup>71</sup> <http://rusmafiozi-eng.blogspot.co.il/2011/08/rusal-tries-to-move-friguia-case-to-icc.html>

The **Alex Stewart International (ASI) report** was first ordered and compiled by former Guinean mining minister, Mahmoud Thiam, at the start of January 2010. **It was paid for by through a dedicated \$3.3million loan by Chinese company CIF to the Government. There is no information available on whether this loan was reimbursed since by the Administartion.**

RusAl has repeatedly stated that the refinery was legitimately acquired but negotiations over its status are ongoing. It appears to be that the son of the President, **Mohamed Condé** and his partner **Aboubacar Sampil** have been taking a very keen interest in the negotiations. In March 2012, *well-informed sources from the Presidency of the Republic and information corroborated by africa intelligence (in its issue nr. 264), Alpha Condé is secretly envisaging to grant the management of Friguia to the United Arab Emirates, without going through any bidding process, enabling him to secure hundreds of millions of dollars in corruption.*<sup>72</sup> This seems to have been an idea conceived by Mohamed Condé.

Alpha Condé's also appears to decided to revoke the Russian concession for the world's largest unmined bauxite mining deposit, Dian-Dian, and is trying to "intimidate" Rusal, with back-tax and fraud claims, plus interest and penalties, for about \$1 billion.<sup>73</sup>

In **September 2011** - Reports however alleged that Oleg Deripaska may have reached an agreement directly with President Alpha Condé to end the claims of the Guinean Government against United Company Rusal. The terms of settlement remain however secret.<sup>74</sup> The deal was apparently arranged by Mohamed Condé himslef.<sup>75</sup>

Oleg Deripaska apparently has provided President Condé with the use of his private jet to use in is international travels.



**The Russian Airplane**

<sup>72</sup> [http://guinee58.com/index.php?option=com\\_content&view=article&id=4406:exclusif-alpha-conde-compte-brader-lusine-dalumine-de-fria-au-fonds-dinvestissements-des-emirats-arabes-unis&catid=34:politique&Itemid=54](http://guinee58.com/index.php?option=com_content&view=article&id=4406:exclusif-alpha-conde-compte-brader-lusine-dalumine-de-fria-au-fonds-dinvestissements-des-emirats-arabes-unis&catid=34:politique&Itemid=54)

<sup>73</sup> <http://www.businessinsider.com/president-Condé-issues-multi-billion-dollar-ultimatum-to-rusal--alcoa-rio-tinto-and-chinese-in-new-race-for-rusal-assets-in-guinea-2011-7>

<http://az-china.com/blackchinablog/?p=1540>

<sup>74</sup> Read more: <http://johnhelmer.net/?p=5803#ixzz1Wj1V7q30>

see also: <http://guineaoye.wordpress.com/2011/09/01/as-guineas-mining-world-turns-rusals-deripaska-makes-secret-deal-with-Condé/>

<sup>75</sup> <http://www.africaguinee.com/index.php?monAction=detailNews&id=10466>

#### H. The CBG Bauxite mining Scandal with Mubadala (UAE)

The alliance of Alcoa and Rio Tinto holds a bauxite mining concession at Guinea's biggest-capacity mine at Boke. Alcoa is present in Guinea as a 45% shareholder of Halco Mining, a partnership which owns 51% of Compagnie des Bauxites de Guinee (CBG). CBG, a partnership with the Government of Guinea, has exclusive rights to mine bauxite in Guinea's Sangaredi Plateau. In addition to mining in Sangaredi, CBG operates a port in Kamsar for drying and shipping bauxite to refineries worldwide.

Alcoa's equal 45% shareholding partner in Halco is Alcan of Canada, now Alcan Rio Tinto, since the latter's acquisition in 2007 by Rio Tinto. The CBG operations are larger than Rusal's in Guinea, and the largest in the bauxite world.

Mohamed Alpha Condé and Aboubacar Sampil devised a plan to sell 23% (of the 49% belonging to the Government of Guinea to Mubadala Development Company. The deal was done with the approval of President Condé. On 12 November 2011 the Minister Mohamed Lamine Fofana and Waleed Al Mokarrab Al Muhairi, director of operations in Mubadala Development Compagny, from the United Arab Emirates had signed a contract for an investment and development program in the natural resources of Guinea. A contract that aimed in reality the 49% of the Guinean government stake in the CBG.<sup>76</sup> Following, outrage by the other shareholders of CBG, namely Alcoa and Alcan Rio Tinto, the attempted flipping of the asset by the entourage of the president, Mohamed Alpha Condé and his partners Aboubacar Sampil, seems to have been stopped *in extremis*.

However, recent developments have shown that there were other avenues for the son of the President to benefit from his established relations with MDC, to engage into another deal. Moreover, on 13 November 2012, the Republic of Guinea and Mubadala Development Company announce another collaborative agreement, which enables MDC "the Abu Dhabi-based strategic investment and development company, to explore new investments and partnerships in strategic sectors such as Bauxite, Alumina and Iron Ore."<sup>77</sup> In addition, on November 4, 2012, Reuters reported that the CBG signed a long-term supply agreement with the UAE company for the supply of bauxite. Although partners did not report the duration or value of the contract, which was concluded between CBG and the Emirates' investment fund Mubadala Development Co., the Guinean Mines Minister Mohamed Lamine Fofana was quoted as saying at a signing ceremony in Abu Dhabi that the deal would add \$500 million to Guinea's gross domestic product."<sup>78</sup>

<sup>76</sup> <http://www.businessinsider.com/president-Condé-issues-multi-billion-dollar-ultimatum-to-rusal--alcoa-rio-tinto-and-chinese-in-new-race-for-rusal-assets-in-guinea-2011-7> ;

See also [http://forum.boubah.com/forum\\_posts.asp?TID=15283](http://forum.boubah.com/forum_posts.asp?TID=15283)

<sup>77</sup> See MDC Press Release, 13 Nov 2012:

[http://mubadala.ae/media/news/republic\\_of\\_guinea\\_and\\_mubadala\\_development\\_company\\_announce\\_collaborative\\_agreement](http://mubadala.ae/media/news/republic_of_guinea_and_mubadala_development_company_announce_collaborative_agreement)

<sup>78</sup> Reuters, 4 November 2012, "Guinea and UAE sign Bauxite Deal",

<http://www.reuters.com/article/2012/11/04/us-cbg-uae-supply-idUSBRE8A203Z20121104>

**Tony Blair Associates**, the private consultancy of the former British Prime Minister, is a paid adviser to Abu Dhabi's Mubadala Development Company, while the organization has struck several lucrative minerals deals with the Guinean government since the coming to power of Alpha Condé. In 2012, it signed a major bauxite supply deal with the country company, which holds a 49 per cent stake in the CBG mining group.<sup>79</sup>

It can be recalled that **Tony Blair, through his Africa Governance Initiative, is a close Advisor the the Guinean President and has been visiting Guinea regularly since Alpha Condé's election.** Tony Blair has visited no fewer than **six times since the summer of 2011.** Most recently on a flying visit on 13 January to meet the president en route to Sierra Leone. His employee, **Shruti Mehrotra, head of the Tony Blair Initiative in Guinea, works directly with Alpha Condé, whose office she shares at the Presidency.** Shruti Mehrotra worked **previously for Global Witness, the organization funded by George Soros.**<sup>80</sup>

<sup>79</sup> The Independent, 26 Jan 2013: "Blairs Repeated Trips Raise Eyebrows": <http://www.independent.co.uk/news/business/comment/jim-armitage-blairs-repeated-guinea-trips-raise-eyebrows-over-his-connections-8467931.html>

<sup>80</sup> Africa Intelligence, 15 Nov 2012, Insiders Mining: Alpha Conde, an all-powerful miner President

## 7. Conclusion

This Special Report has described and analyzed the deliberate actions taken by Alpha Condé and his close entourage, including his family clan members, Government Officials and private investors amongst others from South Africa, to gain a victory at the presidential campaign of 2010 in exchange for financial rewards in the form of liquidity or mining assets to his benefactors.

The analysis has demonstrated that Alpha Condé has premeditated to control the election institutions (the CENI), the electoral registry (Waymark) and the overall electoral process with the help of powerful South African backers and the South African Secret Services, SAAS.

In addition, Alpha Condé strategy also consisted of alienating any competition in the two rounds of the elections, through the support of the Transition President and Chief of Staff of the Army, General Sekouba Konate, which Condé controlled in reward of a hefty multimillion dollar cash payment.

Strong evidence suggests that the same modus operandi and people involved in guaranteeing the victory of Alpha Condé in the Presidential Election will be assisting him to secure majority power at the upcoming legislative elections, which are now announced forcefully on the Opposition Parties, despite their outcries, for 12 May 2013.

The Analysis has further demonstrated that Alpha Condé through the help of his son, Mohamed Alpha Condé and Aboubacar Sampil, have managed to make significant private capital gains from Guinea's natural resources, by "flipping" Guinean mining assets at the expense of the people of Guinea. Aboubacar (Buba) Sampil, a private entrepreneur, has been key to structuring and concealing the financial gains to offshore companies in which he is a director.

Furthermore, the current report also has identified several suspicious activities and modus operandi by Condé, which need further investigation. Illegal actions towards mining companies in order to squeeze them from their assets in exchange for hefty Settlement Fees were performed throughout the presidency, which require a more detailed investigations.

## Used Acronyms

African Mining Intelligence (AMI)

ASI - Alex Stewart International

BEE - Black Economic Empowerment

BVI – British Virgin Islands, Offshore Tax Free Companies

CBG - Compagnie des Bauxites de Guinee

CBG - Compagnie des Bauxites de Guinee

CENI - Commission Electorale Nationale Indépendante (National Independent Electoral Commission - INEC)

ECOWAS – Economic Community of West African States

IFC – International Finance Corporation (a World Bank group)

IMF – International Monetary Fund

HIPC - Heavily Indebted Poor Countries \ PPTE - Pays Pauvres Très Endettés

NTC- National Transitional Council \ CNT - Conseil National de la Transition

OIF - l'Organisation internationale de la Francophonie

OPIC - Overseas Private Investment Corporation

PNUD - Programme des Nations unies pour le développement (UNDP)

RPG- Rally of the Guinean People

SOGUIPAMI - Société Guinéenne du Patrimoine Minier (ex SPSM)

SFO – Serious Fraud Office

SPSM - Société du Patrimoine du secteur minier Guinéen – Guinea Heritage Mining Company

UFDG - Union des forces démocratiques de Guinée, party of Cellou Dalein Diallo

UFDG - l'Union des forces démocratiques de Guinée (Union of Democratic Forces of Guinea)

UFR - l'Union des forces républicaines

UFR - Union des forces républicaines, party of Sidya Touré

UNDP – United Nations Development Program

Union of Republican Forces (UFR)

UNOWA - United Nations Office for West Africa

WB – World Bank