



# 2015 Minerals Yearbook

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**GUINEA-BISSAU [ADVANCE RELEASE]**

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# THE MINERAL INDUSTRY OF GUINEA-BISSAU

By James J. Barry

Mineral production in Guinea-Bissau was limited to small-scale production of industrial minerals, such as clay, granite, limestone, and sand and gravel, and available data were not sufficient to estimate the level of output of these commodities. The country's undeveloped mineral resources included bauxite, heavy-mineral sands, petroleum, and phosphate rock. Since the elections held in 2014, Guinea-Bissau has had greater political stability, which led to consecutive years of positive economic growth—2.5% in 2014 and 4.8% in 2015. Since at least 2009, mining had been an insignificant factor in the economy (African Economic Outlook, 2015, p. 4, 5; International Monetary Fund, 2016, p. 174).

## Structure of the Mineral Industry

Mineral production in Guinea-Bissau was limited to small-scale and artisanal mining. Exploration activities for bauxite, petroleum, and phosphate rock were ongoing in 2015.

## Commodity Review

### Metals

**Bauxite and Alumina.**—Sociedade Mineira de Investimentos Bauxite Angola (partially owned by the Government of Angola) reconfirmed its commitment to plans to resume its bauxite mining project in the Boe region in southeastern Guinea-Bissau after suspending operations following the military coup in 2012. The company planned to invest \$500 million in the construction of the 3-million-metric-ton-per-year (Mt/yr) mine and a deepwater port in the southwestern city of Buba with a capacity for three 70-metric-ton vessels, as well as railway and road connections to the mine and port. The company secured mining rights to the bauxite deposits in the Boe region in 2007, and the measured resources were originally estimated to be 113 million metric tons (Mt) of bauxite (Lewis, 2012; Economist, The, 2014; Ndianaefo, 2015).

### Industrial Minerals

**Phosphate Rock.**—In September, GB Minerals Ltd. of Canada (formerly Plains Creek Phosphate Corp.) completed a definitive feasibility study of its Farim phosphate project, a 30.6-square-kilometer mining lease in northern Guinea-Bissau, which was located 5 kilometers west of the town of Farim. The Farim deposit contained measured and indicated resources of 105.6 Mt at an average grade of 28.4% phosphorus pentoxide (P<sub>2</sub>O<sub>5</sub>). Targeted production was 1.3 Mt/yr during the expected 25-year life of the mine. GB Minerals intended to contract out engineering and construction work by the first quarter of 2016, and expected the project to be in full production by the first quarter of 2018. The project was expected to have a large effect on Guinea-Bissau's economy, accounting for 15% to 20% of

the GDP and employing 770 people by 2017 (Wachman, 2015; GB Minerals Ltd., 2016, p. 1, 7, 15, 39).

**Petroleum.**—Cap Energy PLC of the United Kingdom and Trace Atlantic Oil Ltd. of the British Virgin Islands held two exploration licenses (Block 1 and Block 5B) that were located offshore Guinea-Bissau in the Mauritania-Senegal-Guinea-Bissau-Conakry basin. Trace Atlantic Oil, the operator of both blocks, held a 52% and a 58.5% interest in Block 1 and Block 5B, respectively, and its partner Cap Energy held a 24% and a 27% interest in Block 1 and Block 5B, respectively. The Government-owned petroleum company Empresa Nacional de Pesquisa e Exploracao Petrolifera, E.P. (Petroguin) held a 20% interest in Block 1 and a 10% interest in Block 5B. Sphere Petroleum Corp. held the remaining 4% and 4.5% interest in Block 1 and Block 5B, respectively. Both licenses had a 3-year exploration period ending in October 2015, with the potential for renewal. In the fourth quarter of 2014, a three-dimensional (3-D) seismic survey of Block 5B was completed. If the results of the survey were favorable, at least one, and up to three, exploration wells were planned to be started in the fourth quarter of 2016 (Cap Energy PLC, 2016; p. 11, 13, 17).

In April, the Sinapa (Block 2) and Esperança (Blocks 4a and 5a) offshore licenses were extended for 2 years, with an effective date of November 26, 2015. Svenska Petroleum Exploration AB of Sweden (Svenska) was the operator of the licenses, holding a 55% share of both. Svenska's partner, FAR Ltd., held 21.43% of both licenses, and Petroguin held the remaining share. New 3-D seismic data were acquired in early 2015 and were being analyzed. Depending on the results of the analysis, exploratory drilling could commence in 2016 (FAR Ltd., 2014; 2016, p. 10, 20; Svenska, undated a, b).

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