



2014 Minerals Yearbook

GUINEA-BISSAU

THE MINERAL INDUSTRY OF GUINEA-BISSAU

By Staff

In 2014, Guinea-Bissau successfully held free and fair elections after 2 years of a civilian transitional government following a military coup in April 2012. In 2014, the growth of real gross domestic product (GDP) was 2.5%, compared with 0.3% in 2013 and a decline of 2.2% in 2012. Agriculture remained the country's largest sector in 2014, accounting for about 44% of the country's GDP. Mining did not play an important part in Guinea-Bissau's economy (World Bank, The, 2015a, b).

Production

Mineral production in Guinea-Bissau was limited to small-scale production of industrial minerals, such as clay, granite, limestone, and sand and gravel. Available data were not sufficient to estimate the level of output of these commodities. The country's prospective mineral resources included bauxite, heavy minerals, petroleum, and phosphate rock (African Economic Outlook, 2015, p.4).

Structure of the Mineral Industry

Mineral production in Guinea-Bissau was limited to small-scale and artisanal mines. The Mining Act passed in 1999 allowed for a maximum lease size of 10,000 hectares (ha) for exploration and mining licenses and a lease size of 1 to 4 ha for artisanal mining licenses. Exploration activities for bauxite, petroleum, and phosphate rock were ongoing in 2014.

Commodity Review

Metals

Bauxite and Alumina.—Sociedade Mineira de Investimentos Bauxite Angola (partially owned by the Government of Angola) in 2014 announced 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 that could host 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).

Industrial Minerals

Phosphate Rock.—GB Minerals Ltd. of Canada (formerly Plains Creek Phosphate Corp.) continued to develop its Farim phosphate project, a 30.6-square-kilometer mining lease in northern Guinea-Bissau, which was located 5 kilometers (km) west of the town of Farim. The Farim deposit was estimated

to contain measured and indicated resources of 92.6 Mt at an average grade of 28.7% phosphorus pentoxide (P_2O_5). The company planned to transport material by truck from its processing plant south across the Cacheu River to a point near the village of Chugue, Oio, at the mouth of the Geba River, where the material would be loaded directly onto ships. This transportation option would require the construction of a 6-km road connecting the main haul route to the port. In July 2014, the company announced that its most recent metallurgical test results indicated the ore would require only a modest amount of processing to reach the company's target grade of 36% P_2O_5 for its final product. Production at the plant was expected to begin in 2017 and have a capacity of 1 Mt/yr of phosphate rock concentrate. The mine was expected to have a 25-year life (GB Minerals Ltd., 2014, p. 4; 2015, p. 4–5).

Mineral Fuels

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), which 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, while 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% interest in Blocks 1 and 5B. Both licenses had a 3-year exploration period ending in October 2015 with the potential for renewal. In November, Cap Energy contracted Polarcus Ltd. to conduct a 3-dimensional seismic survey of Block 5B, which was completed at the end of the year. Results from the survey were expected in late 2015 (Cap Energy PLC, 2014; 2015, p. 2).

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