

Additional Question 1:

Global Witness is concerned that Mr Gertler and companies associated with him may have unduly benefitted from his friendship with President Joseph Kabila to acquire Congolese mining assets at prices far below their real value in secret sales. In many cases he then appears to have made unusually large profits by selling them on for much higher sums soon afterwards. By acting as an intermediary, Mr Gertler and companies associated with him may have effectively deprived Congo and its people of vast sums of money.

Can Mr Gertler assure us that his deals with the Congolese authorities have been fully transparent and proper, and in accordance with international procurement practice?

It has been well reported that Mr Gertler enjoys a close friendship with the President. Over some 15 years Fleurette has made a substantial contribution to the DRC and its people. The Group, along with the Gertler Foundation, has contributed over \$2bn of investment into the mining sector and an additional \$5bn of indirect investments through its partners. Fleurette has created over 10,000 jobs and contributed over \$120million in community support and environmental programmes in the country. However, President Kabila has never been directly or indirectly involved in any deal or negotiations during Fleurette's presence in the DRC. The idea that Fleurette acquired mining assets at prices below their real value is incorrect and does not take into account the considerable capital expenditure required to bring these assets to full production.

When attractive assets have become available Fleurette has offered what it believes to be a fair price given the stage of development, associated risks and working interest of these assets. The value of these assets is determined by what the market is prepared to pay. There is a considerable amount of risk attached to these investments and no other party was prepared to pay a fraction of the sum paid by Fleurette. The Group has by no means bought every asset which it hoped to acquire since it began operating in the DRC, and whilst your question focuses on profits from successful ventures, it is important to add there are a number of projects that lose a lot of money.

Additional question 2:

Your answer number 4 states that "The Kansuki concession has been owned by Fleurette Group since 2006".

Gecamines has however published on its website (see attachment) that contract number 127/20653/SG/GC/2010 awarded 75 percent of Kansuki mine to a private partner (which we know to be Kansuki Investments SPRL) and 25 percent to Gecamines in July 2010 under the Kansuki SPRL joint venture.

Could you provide documents for Fleurette Group's acquisition of its share in Kansuki mine in 2006, and also explain precisely what the deal was in respect of Fleurette Group's 2006 investment in Kansuki in 2006? What share of Kansuki mine was Fleurette Group given in 2006 and how much did it pay for the share? If Fleurette Group had acquired an interest in Kansuki mine in 2006, why did the government form a joint venture with Kansuki Investments SPRL (which is 50 percent owned by Fleurette Group) in July 2010.

I would be grateful for any clarification you could shed on this matter.

Thank you for your additional questions. I can see how the confusion has arisen.

The Kansuki concession was one of a number of concessions owned by Comide Sprl which was, in turn, a joint venture owned by Fleurette and Gécamines since 2006. Following the 2008 DRC mining review, the Comide Sprl shareholding was adjusted to 75% Fleurette and 25% Gécamines (having previously been 80/20).

In July 2010, the parties agreed to separate out the Kansuki concession into a different and separate structure on the same 75%/25% basis and on fundamentally the same terms as those in the Comide Sprl joint venture. This is the Kansuki Sprl joint venture that you referred to. There was no new award of the Kansuki concession in 2010, rather it was merely 'spun-out' into a different holding structure as between Fleurette and Gécamines. At the same time, Glencore were brought in to be Fleurette's partner in the 75% shareholding branch.

With regard to Fleurette's indirect acquisition of 75% of Comide from a third party in 2006, that was a private and confidential transaction that is not subject to public disclosure to any third party. It was not a transaction with Gecamines. You should note, however, that the Comide joint venture was subject to Gécamines and government review as part of the DRC mining revisitation, and, as with most of the Gécamines joint ventures, amendments were made in January 2009 to ensure the Comide joint venture agreement was consistent with Gécamines other joint ventures (including the cession of 5% of the shareholding from the private partner to Gécamines and additional pas de porte payments).

In addition to these payments to Gecamines (and Fleurette's initial acquisition), the Fleurette Group has spent close to \$100m on exploratory drilling at Comide and Kansuki since 2006.

Although it is a private company without disclosure obligations, Fleurette has always carried out its business dealings in the DRC with utmost honesty, integrity and fairness and is proud to have worked and brought significant investment to the DRC for more than a decade."