



GOVERNMENT OF SIERRA LEONE
NATIONAL MINERALS AGENCY
(NMA)



Transforming Sierra Leone's Minerals Sector for a Better Sierra Leone

THE ROLE OF THE NMA IN THE MATTER OF A 30 CARAT DIAMOND FOUND IN KATIMBO

Freetown, 30th April 2014. The attention of the NMA has been drawn to several reports in the media alleging that the Deputy Director General of the Agency and the Deputy Minister of the Ministry of Mines and Mineral Resources were involved in influencing the sale of a 30 carat diamond.

The NMA wishes to state that the allegations contained in these reports are completely false and unfounded. The NMA was only involved in the verification, valuation and calculation of royalty and nothing to do with the sale of the diamond.

The Agency further wishes to make the following clarification for the information of the general public:

On Monday 14th April 2014, one Foday Sesay of Katimbo village, Sella Limba Chiefdom, discovered one small stone which he believed to be a diamond.

On 15th April 2014, a group of elders from Sella Limba Chiefdom, including the Paramount Chief, Section Chiefs, Foday Sesay, officials of AMR Gold Exploration Company, diamond dealers, and the police arrived at the NMA Northern Regional Office in Makeni to report the discovery of a substance, which was believed to be a diamond.

At that point, it emerged that there were conflicting claims as to the ownership of the substance. The matter was then referred to the police to help the NMA with the investigations. The substance was sealed in the presence of all concerned and brought to Freetown to the Ministry of Mines and Mineral Resources and handed over to the Deputy Minister who later handed it over to NMA for verification and valuation. All concerned parties were involved at every stage of the process.

At the end of the investigations, verification and valuation process, the follow findings were made in a report to the Minister of Mines and Mineral Resources:

- i. The substance was found in an area claimed to be an artisanal mining area, but with no valid licence;
- ii. AMR Gold holds an EXPLORATION LICENCE in the area, but does not have a mining licence. AMR Gold's mineral right in the area is for exploration and not for mining and thus, not the mineral rights holder for that area.

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iii. The substance was tested and found to be a diamond weighing 30.37 carats.

In view of the above, and guided by the relevant provisions of the Mines and Minerals Act, the following conclusions were reached.

- i. That AMR Gold has no lawful claim to the diamond, as it is an exploration mineral right holder and not a mining mineral right holder.
- ii. That the diamond should be forfeited to the state. However, in recognition of the genuine intentions of the Finder/Chieftom people in reporting the find to the lawful authorities, Government should consider a reward of some or all of the proceeds from the sale of the diamond to the finder/chieftom people.

The Minister of Mines and Mineral Resources then summoned a meeting of all concerned parties on 23rd April 2014 to report the findings and decision of Government. The Minister explained that, guided by the above findings, and in consideration of the sincerity demonstrated by the finder and the authorities of Sella Limba Chieftom, government has decided to hand over the diamond to the people of Sella Limba Chieftom, for them to sell to a diamond dealer of their choice, and pay royalty to government.

This decision was accepted by all parties concerned, and the diamond was duly handed over to the Paramount Chief as agreed by the finder and people of Sella Limba.

The Paramount Chief of Sella Limba, P.C. Kandeh Luseni, commended the Ministry of Mines, the NMA and the police for the transparent and accountable manner in which the matter was handled.

For ease of reference, please see below listed applicable Sections of the Mines and Minerals Act 2009:

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| • Section 21 (1) (2) | – Acquisition of Mineral Rights |
| • Section 22 (a) (b) (c) (d) (e) | - Type of Mineral Rights |
| • Section 77(1) (2 a,c,d) | – Rights of Holder of Mineral Rights |
| • Section 165 (1) (a) (b) | – Removal of Minerals |
| • Section 167 (1) (3) (5) | – Discovery of Precious Minerals |
| • Section 168 (1) (2) (3) (5) | – Unlawful possession of Precious Minerals |
| • Section 170 (2) | - Miscellaneous offences |

ENDS