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**PRESS RELEASE
12TH MAY, 2016**

COMMITTEE ON MINES INTERFACES WITH MINING COMPANIES AFTER EBOLA

The Parliamentary Committee on Mines and Mineral Resources, chaired by Hon. Amadu Kanu has returned from over a week-long oversight engagement with key players in the mining industry, for the first time after the defeat of the devastating ebola virus disease, in collaboration with the Ministry of Mines and the National Minerals Agency.

The Committee also held frank deliberations with officials in Timis Mining Corporation, Shandong Steel, Koidu Limited, Vimetco, Sierra Rutile Limited amongst others, with the view of the urgent resumption of the ore mines and to tackle collectively emerging challenges in the mining industry for the benefits of the affected communities, the businessmen, and the country at large.

In his opening remarks, the Chairman, Hon. Amadu Kanu said among other things to officials in the mining industry that the aim of the oversight was to “unearth the truths about what is currently plaguing the survival of the mining companies, and to chart the way forward to enhance development in the country, after the end of the cruel ebola virus disease”. He also said that “Sierra Leoneans are impatient to see the resumption of the iron ore mines again in the country”.

The Committee also probed mining operators within the framework of existing legislations, cognizant of settling their obligations to GoSL, suppliers, corporate social responsibility, adherence to local content policy, active community relations, processing of minerals within the country and the capacity of energy needed, comprehensive insurance coverage, resettlement of affected communities, livelihood, reclamations, finalization of mining lease and development agreements, and concerns on EIA licenses were also raised.

The officials of Timis Mining Corporation informed the Committee that the “ebola outbreak did not stop their operations”, but “the considerable drop in the price of ore” in the world market “gravely affected and stalled their operations of the ore mine at the moment”. They also assured the Committee that “despite the low and fluctuating price

of the ore, once it spikes to \$70 per ton over a certain timeframe, they will resume the ore mine as they already have a stockpile of 10,000 tons, awaiting shipment that is hugely dependent on the price of ore, which is currently lower in the market". The officials also recalled the boom of the ore price in 2011 when a ton of iron ore was sold at over "\$100 per ton". They also said that "they are currently doing care and maintenance of the mine and have also settled part of their liabilities with GoSL, suppliers, and staff, when they bought LMC, and promised to settle the rest when the price of ore improves considerably".

This similar situation also holds true for Shandong Steel that has bought AML with all her liabilities. The officials of Shandong Steel also said that "the operations of the ore mine have stopped" because of the "drastic drop in the price of ore in the market" which they described as currently "crippling and slowing their investment" of "\$ 1.5 Billion, out of a total of \$ 2.5 Billion". They also said that "they are paying 500 Sierra Leoneans for doing nothing at the moment, and also told the Committee that "they have met their obligations to GoSL, NASSIT, and NRA", whilst raising concerns on the need to finalize their mining lease agreement, subject to the ratification of Parliament". They said also that "ebola did not close the ore mines, but the prices of ore did".

The officials of Koidu Limited intimated the Committee "that their mining lease is valid up to 2030 within the walls of their concession area" and that they are "approaching the close of open pit mining at the end of June, 2016". For this reason, they also said that they had "already spent over \$5 Million to develop the design, train and purchase equipment to commence the underground mining", out of a total of "\$54 Million that had been used to develop the infrastructure of the mine that will be transformed later into the Mine School of Sierra Leone". They also spoke about their CSR, the resettlement of the affected communities, and awareness raising before blasting "once or twice a week".

Host Paramount Chief of Koidu Limited, Paul Garba Saquee V urged the officials of Koidu Limited to "quickly expedite the resettlement process of the affected communities by constructing 800 houses soonest". He also dilated on a "\$100,000" scholarship scheme and called on the 3 affected MPs in his chieftom "to step up and get involved in the resettlement issue relating to their constituents because it has reached its boiling point, whilst recalling the incidence that resulted in the death of two people". He also charged that "eight houses being built per year will certainly slow the resettlement process".

A mammoth of jubilant crowd, including school children and stakeholders greeted the Committee on Mines in Komahun village in Kono District and called on the Committee and other stakeholders to allow Nimini Mining Limited to explore and do underground gold mine in that part of the country. The people also said that "Nimini Mining Limited has not yet been granted the license to operate, but it has built schools, court barrays,

toilets, clinics, hand-dug wells, supported and stayed with them during and after ebola, and gave their children scholarships from primary, secondary, and tertiary level”. Dr. Tamba Yarjah, consultant for the Nimini Mining Limited said that they “stayed with the people during ebola, retained their workers for the care and maintenance of the mine, whilst awaiting the mining development agreement that will allow them to explore and mine gold underground”. He also said that they “had spent \$51 Million on exploration and has \$150 Million to develop and operate the mine”.

The officials of VIMETCO, the leading bauxite company in the country have assured the Committee that their “mining operations were not disrupted by ebola, even though they had a slight redundancy to keep the mine going, and are compliant with the rules and regulations governing the sector”. They also informed the Committee that they “had spent \$150,000 on the rehabilitation of roads, the use of water bowzers to contain the impact of dust on the affected communities, and also spent \$600,000 on the rehabilitation of four dams in the affected areas of operations”. They have also called on GoSL to “give them concession to compete fairly in the market and stay on business, as they too are being affected by the drop in price in the world market”.

The officials of Sierra Rutile Limited told the Committee that “health and safety measures are critical to their operations, have done a lot of rehabilitations in their mine sites, they have a clinic on site, active community relations, and have paid some of their dues and obligations to the respected parties”. They also said that “over 3 Billion Leones had been paid to GoSL for surface rent, including education, crop support, and road works, agriculture, and community assistance”.

The representatives of the National Minerals Agency have assured the Committee that most of the concerns raised by the key players in the mining sector, such as the mining lease and community development agreements would be finalized by the Ministry of Mines and Mineral Resources before the close of 2016, subject to the ratification of Parliament.