

A polished operation

By **RICHARD DUFFY**

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RICHARD DUFFY has a BCom degree from the University of the Witwatersrand and an MBA from Henley Management College, UK. His three decades of mining experience have been mostly with the Anglo group and then AngloGold Ashanti, where he held various roles including that of CFO. He joined Petra in April 2019.

At Petra, we believe that Earth’s rare and precious legacy can, through responsible mining, create abundant outcomes for our people, communities, investors, customers and all other stakeholders, giving expression to life’s special moments.

The Williamson mine is Tanzania’s largest diamond producer. The mine is owned by Williamson Diamonds Limited (WDL) in which Petra Diamonds (listed on the main market of the London Stock Exchange) currently has a 75 per cent shareholding, with the Government of Tanzania owning the remaining 25 per cent. Williamson is the only mine in Petra’s group outside of South Africa where it operates three mines, making Petra the world’s third-largest producer of gem quality diamonds.

Williamson is located in Mwadui, a rural town in the Shinyanga province of northern Tanzania with a population of approximately 26,000. As Tanzania’s most important diamond producer, it is the primary

economic contributor to the district with approximately 15,000 people, considering the employee-multiplier effect, dependent on its operations.

The Williamson mine was discovered in 1940 by Dr John Williamson, a Canadian Geologist, and is the largest economic primary diamond deposit to be in continuous production. Williamson has been successfully mined for over 70 consecutive years and as such it is one of the world’s longest running diamond mining operations.

The mine is an open pit operation based upon the 146 hectare Mwadui kimberlite pipe, which is one of the world’s largest economic kimberlites. Despite having been in operation since 1940, the pit is only 120 metres at its deepest point due to the large size of the deposit. The low grade of the deposit is countered by the high value of its diamonds and lends itself well to high volume, bulk mining methods.

The mine is renowned for beautifully rounded white goods and ‘bubblegum’ pink diamonds, including the



The Williamson Mine, Tanzania

23 carat Williamson Pink (54 carat rough stone), which is considered to be one of the finest pink diamonds ever recovered, not to mention the exceptionally rare Williamson Pink Star, an 11.15 carat internally flawless Fancy Vivid Pink diamond that fetched US\$57.7 million at auction in October 2022 – the second most valuable jewel or gemstone ever sold at auction. Following the closure of the Argyle mine in Australia in late 2020, previously the world’s primary source of pink diamonds, Williamson is now considered to be one of the few remaining sources of pink diamonds.

Since acquiring its 75 per cent holding in WDL from De Beers in 2009, Petra has embarked on an expansion plan at the mine involving major pit reshaping and plant rehabilitation work in order to take the mine to a 5 Mtpa operation. In FY 2019, the company achieved the highest level of production at the mine in over forty years, with 399,615 carats produced.

During the Covid-19 pandemic the mine was put on care and maintenance for 17 months and reopened in August 2021. Whilst the current mine plan for Williamson has a life to 2030, the Mwadui kimberlite hosts a major resource of 37.7 Mcts and as such we believe that there is potential to substantially extend the current life of the mine.

Williamson contributes directly towards community development by assisting in the social, commercial, industrial, educational, medical and administrative infrastructures. This includes a community health programme and the ownership and management of a primary school where subsidised English education is provided. It is the only primary school in the district which has formalised a computer centre and continues to be a top achiever at national level.

Williamson also provides resources and technical support to various public schools for clearance and lifting purposes as part of construction and renovation activities. In addition, this year, it has provided free utility support (annual free electricity and water) to six primary and secondary schools. Further initiatives include:


- Donated a vehicle and fuel to the Tanzania Police Force to improve policing and inspections;
- Supporting various local and regional community events and festivities;
- Provided timber and firewood to surrounding communities;
- Supported local sports clubs;
- Distributed 14,380 seedlings to various institutions located within the surrounding villages to prevent deforestation and erosion.

Petra has also worked hard to ensure that it is supportive to the local community and to provide sustainable benefits. These include:

- a medical support project to provide physiotherapy screening and, in time, further services;

- feasibility studies for income-generating projects related to agriculture businesses and artisanal mining;
- a Sexual and Gender-based Violence (SGBV) Initiative to implement various community action plans once reviewed by the District Commissioner.

This SGBV initiative is progressing well, with next steps including the confirmation of community action plans and engagement with local government. WDL’s local partner completed a full programme of field work with local government and communities in 2022. Petra and WDL will work with the local and regional Government authorities, surrounding communities and local NGOs to monitor the effects of actions taken to date.

In November 2021, Petra entered into a Framework Agreement with the government of Tanzania regarding the Williamson mine which will reduce Petra’s indirect shareholding from 75 per cent to 63 per cent. Petra also entered into a non-binding Memorandum of Understanding (MoU) to sell 50 per cent less one share of the entity that holds Petra’s shareholding in WDL to Caspian Limited. Upon completion of the transactions contemplated by the MoU and the capital restructuring in the Framework Agreement becoming effective, Petra and Caspian will each indirectly hold a 31.5 per cent stake in WDL, but with Petra retaining a controlling interest in WDL, and the Government of Tanzania holding the remaining 37 per cent. 

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A sexual and gender-based violence session for community animators who champion the SGBV Action Plan

