



## MINISTRY OF LANDS AND MINERAL RESOURCES

---

# MEDIA RESPONSE

---

Suva, Fiji - 24 February 2025

### ***RESPONSE TO FLP FB POST TITLED – "DIGGING DEEPER INTO THE GOLD ORE SCAM (22 FEBRUARY 2025)"***

The allegation by Fiji Labour Party ("FLP") that some 20 containers of Gold Ore has been shipped out to China is ridiculously false, libelous, misleading, and mischievous. These allegations are misplaced and devoid of truth, because ores are not globally exported as they are uneconomical in business and in mining practice. FLP has failed to distinguish minerals in its processed forms which is unfortunate and shows lack of understanding of the mineral resource sector. Gold concentrates is the refined product of raw ore whilst gold dore is the refined product of gold concentrates.

The process of acquiring a permit to export any earth-based mineral only requires the statutory approval of the Director Mines and not of anybody else. The assertion by the FLP, that the 20 containers exported unlawfully would not have happened without the approval by the Minister for Lands and the Minister for Finance is a cheap political shot made by someone who, if informed, would understand that the two (2) Cabinet Ministers have no power, statutory or otherwise – to approve or not approve any mineral export permit.

It is a political smearing article devoid of facts, accuracy and responsibility.

'Regulation 80 of the Mining Regulations 1966 outlines the procedure for exporting minerals from Fiji. It requires exporters to notify the Director of Mines with specific details about the minerals intended for export. Upon verification that all due royalties have been settled or appropriately secured, the Director issues a mineral export licence and forwards a copy to the relevant customs authorities for verification and

calculation of export tax. This process ensures compliance with Fiji's mining and export regulations. As of today, FRCS has not received any application for export from the Director of Mines.

Last year, VGML had requested to import gold concentrates from Goldridge, Solomon Islands to complement its productivity and smelter capacity here in Vatukoula because the mine was not producing enough gold to economically operate the smelting plant. The Minister for Finance has the power and authority to grant an import licence under Schedule 3 and Section 3 (1) of the Customs (Prohibited Imports and Exports) Regulation. However, this can only be done based on clear advice from the Fiji Revenue & Customs Service (FRCS), Solicitor-General and the Reserve Bank of Fiji (RBF). The license issued to VGML to import 200-kilogram Low grade Gold Dore was time bound and nothing has been imported. There was considerable delay in the approval process and the application was not able to be completed. The allegation of 300kg being imported from Hong Kong is designed to defame the Hon DPM Dr Prasad. The FLP statement is horrendously crafted, motivated by mischief and untruths which the public can see through as nothing short of cheap political shots.

*"I would like to assure the general public that my Ministry under the Mineral Resources Department (MRD) are comprised of capable, qualified and competent personnel who carry arduous statutory responsibilities, that they continue to discharge fairly, impartially and efficiently whenever they are called upon to do so."*

The Ministry assures that there is no, unlawful export of gold concentrates to China or elsewhere, as claimed by FLP. Secondly, no exports of gold concentrates can be made without the final seal of customs approval.

FLP must exercise the highest degree of responsibility when it purports to address a matter of national interest. To this end, they have failed miserably.

The MRD is committed to transparency and accountability in the management of mineral resources and encourages any stakeholders with concerns to engage directly with the Department for clarification purposes and avoid misinformation.

*"Throwing mud in all direction does nobody no good, because you are hurting hardworking civil servants and the 1,300 VGML jobs that are at stake."*

Exporting gold concentrates are allowable by law. It is a commonly recognizable practice of the mining industry globally, which usually yields more revenue for exporting businesses during favorable global market conditions. Those conditions exist now. These result in more export tax, royalty and foreign exchange for the country. In addition, it is usually a business decision that is environmentally friendly for the exporting country because it does not involve the smelting process (involving hazardous acids) and tailings accumulation.

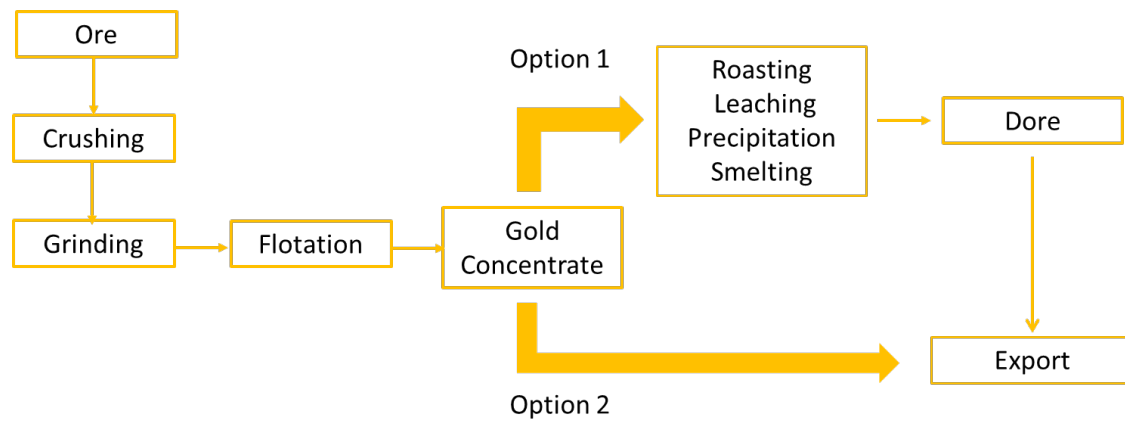
Whilst the Ministry has been informed of VGML's intention to export gold concentrates (not ores), the application with its supporting documentation is yet to be submitted to Director of Mines.

Presently, the consignment of gold concentrates earmarked for export are in Lautoka and they will be jointly inspected by our qualified personnel, biosecurity, and customs officers.

**"If the application has merits, the royalty will be assessed according to the law and paid before the gold concentrates are exported. Upon completion of the third-party international smelting company process, a certificate is pronounced and if the gold quantity and quality is more, VGML will pay more money for royalty. If the grade is less, what has been paid already remains and the company takes it as their loss. All this process is monitored by civil servants and not Cabinet Ministers. These civil servants are capable and trusted, well qualified and competent to handle these processes."**

The Ministry would like to assure that its export permit process is subject to the law and only when the law is fully complied with, would a permit be authorized by the Director of Mines. Further, the export permit process for concentrates is transparent and verified with customs before the exporter is permitted to export.

## **DIAGRAM 1 – GOLD PROCESS**



## **DIAGRAM 2 – GOLD CONCENTRATES**





**DIAGRAM 3 – RAW ORE (FROM THE UNDERGROUND MINE)**

