



2019 Minerals Yearbook

LIBERIA [ADVANCE RELEASE]

THE MINERAL INDUSTRY OF LIBERIA

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Mineral commodities produced in Liberia in 2019 included barite, cement, diamond, gold, iron ore, sand, and crushed stone. Other mineral occurrences in the country included bauxite, copper, heavy mineral sands, kyanite, lead, manganese, nickel, phosphate, rare-earth minerals, tin, and zinc; however, these remained largely unexplored. In 2019, production of diamond and gold decreased by 32% and 31%, respectively. The decreases were attributed to a slowdown in mining activity. Data on mineral production are in table 1 (Central Bank of Liberia, 2020, p. 29; Liberian Geological Survey, 2020).

In 2019, Liberia's gross domestic product (GDP) decreased by 1.4% compared with growth of 1.2% in 2018. The mineral sector accounted for 14% of the GDP and grew by 13% in 2019. Preliminary mineral export earnings were reported as \$397 million compared with \$403 million in 2018. Of this amount, \$222 million was generated by exports of iron ore and \$175 million was generated by exports of diamond and gold compared with \$145 million and \$258 million, respectively, in 2018. Gold made up about 40% of export receipts in 2019 (Central Bank of Liberia, 2020, p. 10, 23, 28, 41, 101).

In late 2019, the Ministry of Mines and Energy, which was Liberia's government agency responsible for administering the mining sector, launched a program intended to formalize the artisanal and small-scale mining subsector. The program established a moratorium on the issuance of new class C mining licenses (a license granted to small-scale operators) and banned the use of dredges on all water bodies used for mining gold and diamond (Ministry of Mines and Energy, 2019).

Commodity Review

Metals

Gold.—In 2019, gold in Liberia was produced at both industrial and artisanal scales. The Central Bank of Liberia reported total production of gold to be about 4,900 kilograms (kg) compared with 7,096 kg in 2018. The decline was attributed to a slowdown in mining activity (Central Bank of Liberia, 2020, p. 29).

The New Liberty Gold Mine, which was owned by Avesoro Resources Inc. of Canada (Avesoro), produced 1,662 kg of gold from January to September 2019 (the latest period for which data were available). During the second quarter of 2019, Avesoro started an initiative to transition the New Liberty mine from owner mining operations to contractor mining operations to reduce mining costs and increase mining volumes. The company was also working on a definitive feasibility study for the transition of the mine from open pit mining to underground mining operations within the next 2 years to further lower mining costs. In late July and August, heavy rainfall caused flooding of the main pit at the New Liberty Mine, which resulted in the suspension of ore mining operations in August and September. In October, a pit wall and ramp failure further reduced ore production. Avesoro reported that underperformance was expected for the last quarter

of 2019 because of these disruptions (Avesoro Resources Inc., 2019a; 2019b, p. 5-6; Central Bank of Liberia, 2020, p. 29).

In 2019, Hummingbird Resources Plc of the United Kingdom (Hummingbird) signed a mineral development agreement with the Government of Liberia. The agreement covered a land package of approximately 2,000 square kilometers (km²) for 25 years and included the Dugbe gold project in southeastern Liberia. The Dugbe project, which had been explored by Hummingbird for more than a decade, was expected to have a capacity of about 3,900 kilograms per year of gold and a mine life of 20 years. By yearend 2019, Hummingbird was exploring options to advance the exploration and development potential of the Dugbe project (Hummingbird Resources Plc, 2020a p. 14, 25; 2020b).

Iron Ore.—In 2019, production of iron ore from ArcelorMittal Liberia Ltd. (ArcelorMittal) from the Mt. Tokadeh and Mt. Gangra deposits was 4.4 million metric tons (Mt) compared with 4.6 Mt in 2018. In 2019, ArcelorMittal completed a feasibility study to identify the optimal concentration solution for using the lower grade ores at Tokadeh and other deposits. The feasibility study recommended upgrades to the concentrate processing lines, replacement of wet tailings, and a revised life-of-mine plan. At yearend 2019, the company was performing engineering work before a final investment decision (ArcelorMittal, 2019, p. 23; 2020).

Industrial Minerals

Diamond.—In 2019, Southstone Minerals Ltd. of Canada (Southstone) continued carrying out an exploration program at the Mano River project in western Liberia. The Mano River project consisted of a diamond mineral exploration license covering an area about 104 km². Exploration work would include ground geophysical surveys, sampling, and geological and structural mapping. At yearend 2019, Southstone received preliminary approval to add a gold mineral exploration license to its existing mineral exploration license in Liberia (Southstone Minerals Ltd., 2019, 2020).

Mineral Fuels

Petroleum.—In 2019, Liberia did not produce petroleum and relied on imports of petroleum and petroleum refinery products to meet domestic consumption. In October, the Government amended the New Petroleum Reform Law of 2014 with the purpose of optimizing performance of the petroleum sector and attracting foreign direct investment. The new law included administrative and operational changes in the Liberia Petroleum Regulatory Authority (LPRA), reconfiguration of block sizes, and participation of Liberian citizens. In late 2019, the LPRA announced nine offshore blocks to be offered during the next licensing round. The licensing round was planned for April 2020 (Liberia Petroleum Regulatory Authority, 2019; Oil & Gas Journal, 2019).

Outlook

Diamond, gold, and iron ore had played a key role in the economic development efforts of the country. Liberia's GDP is expected to increase by 1.4% in 2020, supported by the mining, agriculture, and fisheries subsectors. The amended petroleum law and the prospective launch of an offshore licensing round in 2020 are expected to expand petroleum exploration and attract investment. Iron ore and gold mining will likely continue as the country's main sources of export earnings; however, this will depend upon world market conditions as well as the ability of mines, such as the Liberty Mine, to overcome operational challenges (Central Bank of Liberia, 2020, p. 10, 23).

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TABLE 1
LIBERIA: PRODUCTION OF MINERAL COMMODITIES¹

(Metric tons, gross weight, unless otherwise specified)

Commodity		2015	2016	2017	2018	2019
METALS						
Gold, mine, Au content:						
Artisanal	kilograms	294	3,158	3,702	3,684	3,200 ^e
Industrial	do.	589	1,977	2,369	3,412	1,700 ^e
Iron ore, mine:						
Gross weight	thousand metric	4,530	1,405	1,934	3,934	4,088
Fe content	do.	2,830	878	1,210	2,460	2,560
INDUSTRIAL MINERALS						
Barite ²		--	--	--	--	12,000 ^e
Cement, hydraulic		298,437	240,929	284,668	314,331	339,767
Diamond, gem and industrial ³	carats	68,575	62,642	71,152	79,324	54,149
Stone, sand, and gravel, construction: ^c						
Sand and gravel, sand		200,000	200,000	200,000	200,000	200,000
Stone, crushed, unspecified		11,900 ⁴	9,700 ⁴	9,700	9,700	9,700

^eEstimated. do. Ditto. -- Zero.

¹Table includes data available through August 13, 2020. All data are reported unless otherwise noted. Estimated data are rounded to no more than three significant digits.

²Estimated based on trade data.

³About 60% gem quality and 40% industrial quality.

⁴Estimated based on cement production.

TABLE 2
LIBERIA: STRUCTURE OF THE MINERAL INDUSTRY IN 2019

(Thousand metric tons unless otherwise specified)

Commodity		Major operating companies and major equity	Location of main facilities	Annual capacity
Barite		Steinbock Minerals Liberia Ltd. ¹	Barite deposits along Mount Gibi district, Margibi County	NA
Cement		Liberia Cement Corp. Ltd. (HeidelbergCement AG, 81.67%)	Cemenco cement grinding plant, Monrovia	500
Diamond		Artisanal and small-scale mining	Various counties	NA
Gold	kilograms	Bea Mountain Mining Corp. (Avesoro Resources Inc., 90%, and Government 10%)	New Liberty Gold Mine, 90 kilometers northwest of Monrovia, Grand Cape Mount County	2,000
Do.	do.	Artisanal and small-scale mining	Grand Cape Mount County	NA
Iron ore		ArcelorMittal Liberia Ltd. (ArcelorMittal), 85%	Mt. Tokadeh and Mt. Gangra deposits, Yekepa, Nimba County	5,000
Do.		China Union Investment (Liberia) Bong Mines Co. [Wuhan Iron and Steel (Group) Corp. (WISCO) 60%]	Bong Mine, Fuamah District, Bong County	1,000

Do., do. Ditto. NA Not available.

¹Operations suspended in 2014.