

**OPENING REMARKS BY THE MINISTER FOR LANDS AND  
NATURAL RESOURCES, HON. SAMUEL A. JINAPOR, MP, AT  
THE PRESS BRIEFING ON THE MINING LEASE BETWEEN  
THE GOVERNMENT OF GHANA AND BARARI DV LTD, HELD  
AT THE MINISTRY OF INFORMATION, ACCRA, ON  
THURSDAY 7<sup>TH</sup> DECEMBER, 2023**

Hon. Minister for Information and his Deputy;  
Deputy Ministers for Lands and Natural Resources;  
Chief Executive Officer of the Minerals Commission;  
Friends from the Media;  
Distinguished Guests;  
Ladies and Gentlemen.

The Ministry of Lands and Natural Resources is grateful to the Ministry of Information, under the able leadership of its Minister Hon. Kojo Opong Nkrumah, for putting this platform together, this morning, to engage the public on the first mining lease signed for the exploitation of lithium in our country.

We also thank you, the media, for always responding to our invitation and for helping us reach the Ghanaian people, wherever they maybe.

Distinguished Guests, Ladies and Gentlemen, you will recall that at a brief ceremony at the Ministry of Lands and Natural Resources, on Thursday, 19<sup>th</sup> October, 2023, I signed, on behalf of The President of the Republic, the first mining lease for the exploitation of lithium in our country. This followed Cabinet's approval of a policy for the exploitation and management of green minerals in our country, and extensive negotiations, spanning several months, between Government and Barari DV Ltd, a subsidiary of Atlantic Lithium Ltd, which President Akufo-Addo, had to, on some occasions, personally, intervene.

Since this act, there has been some commentary on the mining lease, with several people and institutions sharing their opinion on the agreement.

Government welcomes the extraordinary public interest and scrutiny of this mining lease, as it is the surest way of ensuring that, the mineral resources of our country are utilised for the benefit of the Ghanaian people. We, however, note that, much of the commentary ignore the actual terms of the lease, which, I am told, is available on the website of the Minerals Commission.

On 27<sup>th</sup> October, 2023, I issued a twenty-six point Press Release, detailing the processes leading to the grant of the mining lease, and giving highlights of the lease, which, obviously, differs from all previous mining leases granted for the exploitation of any mineral in the country. This is easily verifiable from a cursory examination of the mining lease under reference. Regrettably, some public commentary on the matter continues to ignore all these details.

In recognition of our constitutional duty to manage the natural resources of the country for the benefit of the Ghanaian people, who are the true owners of these resources, and in accordance with the highest standards of transparency and integrity, we have, called this Press Conference to provide detailed information to the Ghanaian people on the processes leading to the signing of the Mining Lease as well as details of the Lease that makes it different from all previous mining leases and most importantly how the nation stands to benefit from this transaction.

This will be done by the Chief Executive Officer of the Minerals Commission. But before I invite him to address us, kindly indulge me clarify a few matters.

First of all, Barari DV Ltd, the company granted the mining lease for the exploitation of lithium in Ewoyaa, has been undertaking exploration for almost a decade in the Central Region from when they were first granted a reconnaissance licence in August 2012 and converted to a prospecting licence in March 2018 for three (3) years and renewed for three (3) years in July 2021.

When they reported commercial find of lithium, government took a decision not to treat this mineral in the same manner, in which others had been treated. We, therefore, decided to make a policy for the exploitation of lithium and other green minerals of our country before any negotiations will commence.

To make the development of the policy more participatory, on 13<sup>th</sup> July, 2022, I presented to Parliament, on behalf of Government, a statement setting out the general framework of the proposed policy for the development, management and exploitation of the green minerals in our country. Following inputs from Honourable Members of Parliament and other stakeholders, a policy was developed and submitted to Cabinet, which after intense scrutiny, critique, and inputs, approved a reviewed policy on 27<sup>th</sup> July, 2023.

The approved policy includes provisions for an increase in the royalties rate for green minerals, an increase in State and Ghanaian participation in all green mineral operations to a minimum of thirty percent (30%), an enhanced local content and local participation, including listing on the Ghana Stock Exchange; and value addition and beneficiation for all green minerals. It was based on this policy that we entered into negotiations with the company leading to the signing of the mining lease.

Ladies and gentlemen, let me forcefully state that, this Lease differs from all previous mining leases in many respects, and the Chief Executive Officer of the Minerals Commission will, shortly, give you details to support this assertion. Suffice for me to point out that, it is the first time in the history of our country that, we have successfully negotiated for ten percent (10%) royalties for any mineral, which is one of the highest for exploitation of any mineral across the globe. We have already secured a nineteen percent (19%) State participation in this mining company, with the requirement to scale it up to a minimum of thirty percent (30%) Ghanaian participation through listing on the Ghana Stock Exchange for shares to be made available to Ghanaians and Ghanaian entities.

And for the first time in the history of our country, a mining lease contains provisions for the establishment of a refinery.

The issue of ratification of the mining lease, which has been raised by several people, has never been lost on us. This is expressly provided for in the Mining Lease granted to Barari DV Ltd. Specifically, Clause 1(e) of the Lease states as follows:

***This Mining Lease is subject to ratification by Parliament in accordance with Article 268(1) of the Constitution and section 5(4) of Act 703. Upon execution of this Mining Lease, the Minister shall cause the Mining Lease to be laid in Parliament for ratification.***

By the very terms of the Lease, therefore, ratification by Parliament is a condition precedent. As the Supreme Court explained in **Republic v High Court, (General Jurisdiction 6), Accra; ex parte Attorney-General (Exton Cubic – Interested Party) (Unreported, Civil Motion No. J5/40/2018, dated 31<sup>st</sup> July, 2019)**, an unratified mining lease confers no enforceable rights, and Government has always been mindful of this decision.

But before such agreements can be laid before Parliament, it must go through a number of processes, including securing Cabinet's approval. The processes are ongoing, and once completed, the Agreement would be laid before Parliament for consideration and ratification.

There have, also, been calls to grant mining leases through a tender process. As we explained in our earlier press release, international best practice requires that where a company undertakes exploration and makes commercial find for minerals, the company is entitled to a right of first refusal to the grant of a mining lease, subject to regulatory compliance.

This international best practice is given legal backing by section 39(2) of the Minerals and Mining Act, 2006 (Act 703).

Needless to point out that, the use of the tender process is only feasible where there already exists geological data and the State is looking for partners to go straight into mining. Regulation 258(1) of the Minerals and Mining (Licensing) Regulations, 2012 (L.I. 2176), which deals with the grant of mineral rights by tender gives three instances under which such process may be used.

They are:

- a. where the Minerals Commission determines that there exists sufficient mineral information in respect of the area concerned;*
- b. where the Republic has carried out prior mineral exploration in respect of the area concerned; or*
- c. where an area becomes available through surrender, revocation or termination and two or more applications are recorded in the Priority Register within the seven days of the area becoming vacant.”*

In all these circumstances, the State would have enough geological data generated through its own exploration, or where a holder of a mineral right surrenders his interest, or the right is otherwise revoked or terminated. But where this data is generated by a private company that has carried out exploration, at great cost, then that entity is by virtue of section 39(2) of Act 703 entitled to the grant of a mineral right subject to regulatory compliance, in which case the tender system cannot be legally turnable.



The historical lack of resources to undertake exploration has, thus, meant that we have had to depend on private companies to undertake exploration for most of our minerals, which then entitles them to the grant of mining leases without going through any tender process. And in any event, the private sector, both foreign and Ghanaian, participation is in accord with the best international practice. And this can be verified from several mining countries across the world.

There have, also, been calls for the establishment of a Ghana Lithium Company to undertake lithium mining and develop the value chain of the mineral from lithium mining to battery production. It will be recalled that the Policy Statement presented to Parliament last year, considered the option of establishing such an entity, along the concept of the Ghana Integrated Aluminium Development Corporation (GIADEC) and the Ghana Integrated Iron and Steel Development Corporation (GIISDEC). However, the volumes of the mineral we have, currently, and our quest to ensure optimal benefit from the exploitation of this mineral made that option not feasible for several reasons. Firstly, globally, only China, has an end-to-end lithium value chain, from mining to battery production.

This is why, we have instituted in this transaction the retention of a significant part of the value chain which we work systematically to eventually construct the full value chain in country.

But as we have said, we will not export lithium in its raw state. That is why the Mining Lease includes provisions for the establishment of a refinery and the provision of the by-products to local industries.

Distinguished Guests, Ladies and Gentlemen, in everything we have done with this mining lease, the interest of the Ghanaian people has been paramount. The Government of President Akufo-Addo remains committed to the prudent, effective and efficient management of the natural resources of our country which have been entrusted to us, and doing so in the spirit of transparency, integrity, candour and utmost good faith for the benefit of our nation. We remain focused on this goal, and call on you all, nationals and residents of our country, to support Government in this quest.

With this, I now invite the Chief Executive Officer of the Minerals Commission, Mr. Martin Ayisi, to present to you the terms, benefits and way forward of the Barari DV Ltd mining lease.

I thank you for your attention.

