

Cameroon to become significant diamond exporter

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*Diamonds –
Cameroon
will
soon become
a major
exporter*

Yaounde, Cameroon --- MININGREVIEW.COM --- 26 June 2009 - Cameroon expects to become a significant diamond exporter from next year when it starts mining deposits discovered in the southeast of the West African country.

Reuters reports from here that the discovery of gem quality and industrial diamonds was made by a joint Cameroon-Korean company, C&K Mining Incorporated, at Mobilong, close to the border with Congo Republic and the Central African Republic.

“The probable reserves are estimated at 736 million carats, and will make Cameroon a leading diamond exporter when exploitation begins before the end of 2010, as we expect,” director of mines and geology Oscar Matip told reporters. “Output would be about 1 million carats in the first year but is expected to rise to 6 million carats at its peak,” he said.

Botswana's Debswana – the world's biggest diamond miner by value – has the capacity to produce about 33 million carats of the precious stones a year.

C&K Mining was created in 2005 as a joint venture between South Korea's C&C Mining and the government of Cameroon. The Korean firm has an 80% shareholding in the company, and the Cameroon government holds 20%

Matip said the company would present its feasibility study on Mobilong later this year, following which an exploitation licence could be granted so that mining could begin.

Diamond demand has been hit by the global financial crisis, but the world's largest diamond group, De Beers – 45% owned by Anglo American plc – has increased output in the second quarter after earlier cuts.

Cameroon has been trying to diversify its economy away from crude oil, which accounts for around half of export earnings. It is also a producer of agricultural commodities including cocoa and coffee.

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