

Petra Sells Stake in Williamson Mine for \$15M



Petra Diamonds has sold a little less than a 50% stake in its Williamson mine in Tanzania for \$15 million to a company affiliated with the deposit's technical services contractor, Taifa Mining.

The memorandum of understanding (MoU) gives Pink Diamonds Investments half ownership, less one share, in Williamson Diamonds Limited (WDL), a joint venture between Petra and the Tanzanian government, which owns and operates the deposit, the miner said Wednesday.

Pink Diamonds will pay for its stake by taking on shareholder loans owed by WDL and through payments to Taifa for past services rendered to WDL. Petra will receive its payments from WDL in installments over the next five years, it explained.

In 2021, [Petra signed an agreement](#) with the Tanzanian government to reduce the miner's stake in WDL to 63% from 75%, while the government's share was set to

increase to 37% from its original 25%. Once the transaction is complete, Petra's share will be halved to 31.5%, with Pink Diamonds holding the other 31.5%. However, Petra will retain the controlling interest in the asset, it noted.

Once the transaction is complete, Petra will be able to bring the mine out of care and maintenance. It has been shut since November, when a wall at its tailings storage facility [collapsed](#).

"This new structure will reduce our equity interest in WDL, limiting our exposure in line with our stated objectives, whilst retaining control and maintaining a share of the upside," said Petra CEO Richard Duffy. "Taifa brings considerable local and mining experience to the partnership. This will help us to optimize the orebody to the benefit of all Williamson's stakeholders, both in the short term with the restart of operations and going forward as we look to fully realize the mine's potential in a more favorable economic environment."

Image: Trucks hauling ore at the Williamson mine. (Petra Diamonds)