



## Comment by Sandline International

### 14 March 2000, Book entitled 'Mercenaries - an African Security Dilemma'

This comment piece is an attempt to correct the errors of fact, not perspective, as far as they are known to Sandline, in 'Mercenaries - an African Security Dilemma', compiled and part-written by executives of the Centre for Democracy and Development and published by Pluto Press in the second half of 1999 [ISBN 0 7453 1476 7 hbk].

We have concentrated on four of the nine chapters as these contain the most significant number of errors pertinent to our business. We have not commented on the table at the front of the book entitled "The Branch-Heritage-EO-Sandline Empire" as the basic premise associating various companies is flawed and the chart is just an amorphous mass of errors and inaccuracies.

As ever, we invite the authors of the various statements made below to produce tangible evidence to substantiate their claims. In the absence of such evidence we assume they accept that their statements or allegations are inaccurate.

#### Chapter 1 - Africa in Search of Security Mercenaries and Conflicts - An Overview, Abdel-Fatau Musah and J Kayode Fayemi

1

**Quote:**

"Tony Buckingham, a Director of Sandline International."

**Fact:**

Mr Buckingham has never been a director of Sandline.

2

**Quote:**

"Executive Outcomes' contract with the government of Angola is believed to have included a diamond concession to their subsidiary, Branch Energy."

**Fact:**

Branch Energy is not and never has been a subsidiary of EO. EO was remunerated strictly monetarily.

3

**Quote:**

"Grunberg heads Plaza 107, a holding company for Branch Energy."

**Fact:**

Branch Energy is wholly owned by DiamondWorks Limited, a Toronto Stock Exchange listed company. Plaza 107 does not, nor ever has had, any subsidiaries. Plaza 107 provides office services on a fee paying basis to DiamondWorks and, by extension, to Branch Energy.

4

**Quote:**

"EO was the major shareholder in BE [Branch Energy], with 60% of BE Angola, 40% of BE Uganda and 40% of BE Sierra Leone."

**Fact:**

EO has never owned shares in any Branch company. The authors credit these "facts" to an article published in the September 1997 issue of Jane's Intelligence Review. What they have ignored is that Jane's published an unprecedented half page correction and an apology in the following issue which included the statement that: "Neither Executive Outcomes, nor any of its related companies, is a shareholder of DiamondWorks, or of its 100% owned subsidiary, Branch Energy Ltd. There are no corporate entities as Branch Energy Sierra Leone or Branch Energy Angola."

5

**Quote:**

"Michael Grunberg .... was arrested alongside Tim Spicer by HM Customs and Excise in connection with .... Sierra Leone."

**Fact:**

Neither Michael Grunberg nor Tim Spicer were ever arrested by HM Customs and Excise or any other government body. The publishers have agreed to remove this statement from future print runs of the book.

6

**Quote:**

"The head of Sandline, Tim Spicer, and his band of South African mercenaries were arrested and later deported [from PNG]."

**Fact:**

No-one was arrested. A number of mutinous PNG soldiers kidnapped Col Spicer and his team at gunpoint and arranged for their removal from the country.

Chapter 2 - Private Military Companies and African Security 1990-98. Kevin O'Brien

7

**Quote:**

"A much-mooted British defence intelligence report records that 'Executive Outcomes was registered in the UK in 1993 by Anthony Buckingham .... and Simon Mann'."

**Fact:**

As has been stated many times since this report first circulated, a quick search at Companies House would have proven that the statement is incorrect and that EO was incorporated in the UK by Eben Barlow.

8

**Quote:**

"...the finalisation of the contract [between EO and the government of Angola] was followed by substantial concessions in oil and diamond mining to companies associated with Barlow's newly-formed Strategic Resources Corporation (SRC)."

**Fact:**

No SRC company received any oil or diamond concessions.

9

**Quote:**

"Sandline is believed to have evolved out of Executive Outcomes, an entity registered in September 1993 by Buckingham, Barlow and Mann, but never active."

**Fact:**

Sandline was registered in 1996. The three did not register the company.

10

**Quote:**

"In December of 1996 ... Sandline was formally incorporated by Barlow, Buckingham, Michael Grunberg, Mann, Nick van den Berg and Spicer."

**Fact:**

Sandline was not incorporated by these individuals. Tony Buckingham was the inspiration behind Sandline, Tim Spicer is its Chief Executive, Michael Grunberg has acted as a consultant and Nic van den Bergh was the leader of the team sub-contracted from EO to undertake some of the work in Papua New Guinea. Neither Eben Barlow nor Simon Mann have ever had any involvement with Sandline.

11

**Quote:**

"[Sandline's] management and personnel are largely the same [as Executive Outcomes]."

**Fact:**

Sandline's management are European and North American and Executive Outcomes' was South African.

12

**Quote:**

"[Sandline] is part of the greater EO-Branch-Heritage network."

**Fact:**

A network which does not exist.

13

**Quote:**

"The Branch-Heritage group would put forward the money initially to pay for the solidification of the PMC contract [in a given country] as the purchasing price for concessionary lefts."

**Fact:**

Neither Heritage or any Branch company has ever financed the retention by a government or other client of any PMC.

14

**Quote:**

"Branch Energy (Uganda) .... bought Branch Mining from Barlow in 1995."

**Fact:**

Branch Mining never traded, never owned any assets and was eventually liquidated.

15

**Quote:**

"In the autumn of 1993, Buckingham and Simon Mann .... registered Executive Outcomes (UK) Pty Ltd in Britain."

**Fact:**

Not true. See the response above.

16

**Quote:**

"Barlow himself even served as a director of Branch Energy prior to its being bought by Carson Gold."

**Fact:**

Mr Barlow has never served in any capacity with Branch Energy or any other Branch company.

17

**Quote:**

"....Intense rivalry between Buckingham's group of companies and Boule's group."

**Fact:**

This rivalry will come as a great surprise to the individuals named and senior personnel in each group who have an ongoing friendly relationship. No rivalry has ever existed.

Chapter 3 - A Country Under Siege: State Decay and Corporate Military Intervention in Sierra Leone.  
Abdul-Fatau Musah

18

**Quote:**

"The International Monetary Fund, alarmed by the staggering pay-offs in cash and mineral concessions to EO and its partners, made the termination of the outfit's contract a precondition for bailing out the collapsed economy."

**Fact:**

The IMF endorsed the continued deployment of EO in Sierra Leone and agreed to provide funding support for the economy against a budget which included the monthly payments due to EO.

19

**Quote:**

"Kabbah [the democratically elected President], convinced that EO's exit would definitely spell his demise, hurriedly renewed the latter's contract from April 1996 for 20 months at a fee of US\$35.2 million."

**Fact:**

President Kabbah renewed EO's contract in April 1996 on a month-to-month basis until its termination nine months later. The total fee billed for this period amounted to US\$11.9m. EO withdrew in January 1997, at the end of a total of 21 months' service, for which it billed US\$35.2m and for which it has been paid to-date US\$15.7m.

20

**Quote:**

"Jupiter Mining Company (Rakesh Saxena) and Sandline International had one deal between them and a separate arrangement with the beleaguered government of Tejan Kabbah....It is obvious that the counter-coup would lead to the expansion of mineral concessions controlled by the two groups in Sierra Leone."

**Fact:**

Sandline was at pains not to enter into any direct contractual relationship with Saxena and only contracted with the State. There has never been any side deals and, regardless, Sandline has repeatedly stated it is not interested in mineral concessions.

21

**Quote:**

"The negotiations between Saxena and Sandline on financing the coup also involved the transfer of some of the mines controlled by DiamondWorks / Branch Energy in Sierra Leone to Jupiter Mining Company."

**Fact:**

The reference for this statement is the text of a fax sent by Saxena to one of his partners in Conakry. There is no substantiation of this and Saxena had never been in contact with DiamondWorks to even discuss the idea. Furthermore, DiamondWorks is a publicly quoted company and Sandline would never be in a position to bargain its assets with either Saxena or the State. The suggestion is complete nonsense.

22

**Quote:**

"The weapons [provided by Sandline to the government of Sierra Leone] were shipped from Bulgaria to Kano in Northern Nigeria on a relay to Sierra Leone via Ibis Airline [sic], a company partly owned by the mercenary network."

**Fact:**

Ibis Air did not undertake the shipment and is not partly owned by Sandline.

23

**Quote:**

"On 18 January 1998, combined forces of Nigerian troops, the Kamajors and about 200 mercenaries of Sandline International launched an air and ground assault on Freetown."

**Fact:**

Sandline never had more than 20 operatives working on the project.

24

**Quote:**

"The key role played by Sandline-EO in the counter-coup was underlined by the fact that they were the only forces to fly a warplane in the operation."

**Fact:**

This statement is credited to Michael Grunberg who said nothing of the sort. He said that Sandline (not EO) were flying transport helicopters and that ECOMOG, through the Nigerian element, were operating Alpha jets.

25

**Quote:**

"There is evidence to suggest that LifeGuard, the security wing of both EO and Sandline into which many EO personnel were absorbed after EO officially left Sierra Leone, was responsible for supplying a shipment of arms .... to the AFRC [rebels] in Sierra Leone."

**Fact:**

The reference for this are two other publications. It is evident that once such an allegation is made in one source, it can be quoted as fact in another. It is not true.

26

**Quote:**

"The [alleged Sandline-Branch] network has first refusal on lucrative mining and security deals, such as the Sierra Rutile and Koidu concessions."

**Fact:**

Sierra Rutile is owned equally by an Australian publicly quoted company and MIL Investments, owned by Jean Boule. The Koidu kimberlite concession is 60% owned by DiamondWorks with three-quarters of the balance in the hands of the government.

27

**Quote:**

"EO was reported to have introduced anti-personnel landmines into the conflict [in Sierra Leone]."

**Fact:**

Untrue. The author does not even provide an independent reference for this allegation - only an accusation by the RUF rebels.

Chapter 6 - Mercenaries, Human Rights and Legality, Alex Vines

28

**Quote:**

"...EO lost [the Angolan Soyo] installations to UNITA."

**Fact:**

The installations were lost to UNITA after EO had withdrawn.

29

**Quote:**

"EO and its partners were rewarded with a number of economic concessions across [Angola]."

**Fact:**

EO was paid monetarily. It did not expect or receive any mineral rights in Angola.

30

**Quote:**

"Because the government [of Sierra Leone] was cash-starved, EO negotiated mining concessions in return for its services."

**Fact:**

EO are still due over 55% of the total fee charged for its services in 1995 to 1997. The balance was paid during the period of their deployment. The amount due has never been converted into any other form and remains outstanding to this day.

31

**Quote:**

"EO appears to have used fuel-air explosive in Kono district."

**Fact:**

No fuel-air mixture bombs were ever deployed by any force in Sierra Leone.

32

**Quote:**

"Sandline is the sister company to EO."

**Fact:**

Sandline is a similar company to EO.

33

**Quote:**

"The [Sandline/PNG] project fell apart when the commander of the armed forces publicised the plan, which caused a military revolt."

**Fact:**

Sandline's deployment had already been disclosed in the press. The PNG Commander, who had designed the plan with Sandline, incited elements of the military to revolt when he alleged that the contract was corrupt. He was subsequently discovered to be the only person to have received corrupt payments and these came from a UK-based military equipment supplier.

34

**Quote:**

"[Sandline] armaments were impounded in Australia."

**Fact:**

One shipment of equipment, which had been en route when the troubles broke in PNG, was sent to Australia for storage at the request of the PNG foreign minister to his Australian counterpart. Australia then extended the storage offer to Sandline.

34

**Quote:**

"Part of the payment negotiated for the activities of Branch Energy's private army has been lucrative mining concessions."

**Fact:**

Branch Energy does not have a private army.