


Treasury Sanctions Illicit Gold Companies Funding Wagner Forces and Wagner Group Facilitator

June 27, 2023

WASHINGTON — Today, the Department of the Treasury’s Office of Foreign Assets Control (OFAC) sanctioned four companies and one individual connected to the violent Russian military group PMC Wagner (Wagner Group) and its founder and owner Yevgeniy Prigozhin, previously sanctioned by the United States, the European Union (EU), Canada, and the United Kingdom (U.K.). The Wagner Group exploits insecurity around the world, committing atrocities and criminal acts that threaten the safety, good governance, prosperity, and human rights of nations, as well as exploiting their natural resources. The targeted entities in the Central African Republic (CAR), United Arab Emirates (UAE), and Russia have engaged in illicit gold dealings to fund the Wagner Group to sustain and expand its armed forces, including in Ukraine and Africa, while the targeted individual has been central to activities of Wagner Group units in Mali.

“Treasury’s sanctions disrupt key actors in the Wagner Group’s financial network and international structure,” said Under Secretary of the Treasury for Terrorism and Financial Intelligence Brian E. Nelson. “The Wagner Group funds its brutal operations in part by exploiting natural resources in countries like the Central African Republic and Mali. The United States will continue to target the Wagner Group’s revenue streams to degrade its expansion and violence in Africa, Ukraine, and anywhere else.”

Concurrently, the Departments of State, the Treasury, Labor, Commerce, and Homeland Security, as well as the United States Agency for International Development, have [issued a new advisory](#)  focused on the gold sector across sub-Saharan Africa. This advisory highlights risks related to the gold trade, including conflict and terror financing, money laundering activities, sanctions evasion, human rights and labor rights abuses, and environmental degradation.

ILLICIT GOLD DEALINGS FUNDING WAGNER GLOBALLY

Midas Ressources SARLU (Midas) is a CAR-based mining company affiliated with Yevgeniy Prigozhin (Prigozhin). Midas maintains ownership of CAR-based mining concessions and licenses

for prospecting and extracting minerals, precious and semi-precious metals, and gems. Midas retains the preferential mining allowance to the CAR's Ndassima gold mine, which experts assess contains gold valued at more than one billion dollars. Moreover, Midas, in conjunction with the Wagner Group, was responsible for denying CAR government officials the ability to inspect the Ndassima mine. Midas, along with other Prigozhin-linked firms operating in the CAR, is key to financing Wagner's operations in the CAR and beyond. In 2021, the United Nations (UN) confirmed Midas was openly working with the CAR-based rebel group Unité pour la Paix en Centrafrique (UPC) in violation of CAR mining regulations and UN sanctions. Although registered in the CAR, Midas is also connected to individuals involved in Prigozhin's mining activities in Madagascar.

Diamville SAU (Diamville) is a gold and diamond purchasing company based in the CAR and controlled by Prigozhin. Diamville is one of several Prigozhin-connected entities that is intimately involved in the CAR mining sector. In 2022, Diamville participated in a gold selling scheme that entailed converting CAR-origin gold into U.S. dollars. Following the imposition of U.S. sanctions on several Russian financial institutions, participants in the scheme planned to move the proceeds by transferring cash by hand. Additionally, Diamville shipped diamonds mined in the CAR to buyers in the UAE and in Europe.

Industrial Resources General Trading (Industrial Resources) is a Dubai-based industrial goods distributor that has provided financial support to Prigozhin through its business dealings with Diamville. Industrial Resources also participated in the aforementioned gold selling scheme. Following U.S. sanctions on various Russian financial institutions, Industrial Resources wittingly participated in the transfer by hand of cash to Russia. Industrial Resources works with Diamville to generate revenue and move funds for Prigozhin. For example, in early 2022, Industrial Resources was the recipient of diamonds mined in the CAR and sold by Diamville.

Limited Liability Company DM (OOO DM) is a Russia-based firm that also participated in the aforementioned gold selling scheme.

OFAC designated Midas, Diamville, and OOO DM pursuant to Executive Order (E.O.) 14024 for being owned or controlled by, or for having acted or purported to act for or on behalf of, directly or indirectly, Prigozhin, a person whose property and interests in property are blocked under E.O.14024. Prigozhin is the Russian financier of the Internet Research Agency (IRA), the Russian troll farm that OFAC designated pursuant to E.O. 13848 in 2018 for interfering in the 2016 presidential election. Prigozhin has been designated pursuant to E.O.s 13848, 13694, and 13661. OFAC designated Industrial Resources pursuant to E.O. 14024 for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, Prigozhin.

WAGNER GROUP FACILITATOR IN MALI

Andrey Nikolayevich Ivanov (Ivanov), a Russian national, is an executive in the Wagner Group. During the spring of 2023, Ivanov worked closely with Prigozhin's entity Africa Politology and senior Malian government officials on weapons deals, mining concerns, and other Wagner Group activities in Mali.

OFAC designated Ivanov pursuant to E.O. 14024 for having acted or purported to act for or on behalf of, directly or indirectly, Prigozhin.

Africa Politology develops strategies and mechanisms to induce countries that promote human rights and good governance to withdraw their presence in Africa and is involved in a series of Russian influence tasks in the CAR and Mali, to include discrediting the UN and carrying out lawsuits against press outlets that report on the consequences of Wagner's activities. The Department of State [sanctioned](#) Africa Politology in January 2023 for acting for and on behalf of Prigozhin.

THE WAGNER GROUP

The United States has sanctioned numerous entities and individuals globally that support the Wagner Group's destabilizing activity. The Wagner Group has committed widespread human rights abuses and has appropriated natural resources across multiple countries in Africa. A proxy military force of the Kremlin, the Wagner Group has carried out combat operations around the world, including Russia's brutal war in Ukraine. Wagner has also participated in a scheme to procure weapons for its operations in Ukraine, using false end-use certificates in Mali.

On June 20, 2017, OFAC designated the Wagner Group pursuant to E.O. 13660 for being responsible for or complicit in, or having engaged in, directly or indirectly, actions or policies that threaten the peace, security, stability, sovereignty, or territorial integrity of Ukraine, and on November 15, 2022, the Department of State redesignated the Wagner Group pursuant to E.O.14024 for operating or having operated in the defense and related materiel sector of the Russian Federation economy. The Wagner Group has also been sanctioned by Australia, Canada, Japan, the United Kingdom, and the European Union.

On January 26, 2023, OFAC [redesignated](#) the Wagner Group pursuant to E.O. 13581, as amended by E.O. 13863, for being a foreign person that constitutes a significant transnational criminal

organization. Wagner Group personnel have engaged in an ongoing pattern of serious criminal activity, including mass executions, rape, child abductions, and other brutalities against innocents in the CAR and Mali. On the same day, OFAC designated the Wagner Group pursuant to E.O. 13667 for being responsible for or complicit in, or having engaged in, the targeting of women, children, or any civilians through the commission of acts of violence, or abduction, forced displacement, or attacks on schools, hospitals, religious sites, or locations where civilians are seeking refuge, or through conduct that would constitute a serious abuse or violation of human rights or a violation of international humanitarian law in relation to the CAR.

SANCTIONS IMPLICATIONS

As a result of today's action, all property and interests in property of the designated persons described above that are in the United States or in the possession or control of U.S. persons are blocked and must be reported to OFAC. In addition, any entities that are owned, directly or indirectly, individually or in the aggregate, 50 percent or more by one or more blocked persons are also blocked. Unless authorized by a general or specific license issued by OFAC, or exempt, OFAC's regulations generally prohibit all transactions by U.S. persons or within (or transiting) the United States that involve any property or interests in property of designated or otherwise blocked persons.

The power and integrity of OFAC sanctions derive not only from OFAC's ability to designate and add persons to the SDN List, but also from its willingness to remove persons from the SDN List consistent with the law. The ultimate goal of sanctions is not to punish, but to bring about a positive change in behavior. For information concerning the process for seeking removal from an OFAC list, including the SDN List, please refer to OFAC's Frequently Asked Question 897 [here](#). For detailed information on the process to submit a request for removal from an OFAC sanctions list, please click [here](#).

[Click here for more information on the individual and entities designated today.](#)

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