

GOVT CLOSES EIGHT COMPANIES OVER GOLD FRAUD

By Charles Etukuri

The Government has ordered the immediate closure of eight companies linked to illegal gold dealings in the country.

The eight security firms and gold dealers are located in Kampala. The closure followed a joint report compiled by the energy ministry and the Police Mineral Protection Unit (PMPU), which recommended the closure of the implicated companies in February this year.

Those affected include Hawks Guard Security located on St Barnabas Road in Kiwafu Muyenga; B Safe Security Systems located in Nsambya Makindye Division; Duck Hunters Security Services; Aurus Traders Limited; Spanex Cargo Company Limited; Kerlibar Logistics; Hey Transport Limited and Midasgko Mineral Trade.

The eight companies joined 15 other firms and refineries closed by security last year. Sources said the blacklisted firms were largely linked to multibillion-dollar gold scams in which several investors, both foreign and local, lost money.

New Vision has learnt that the directive to close the security firms comes in the wake of an August 13, 2025 meeting attended by officials from Uganda Police Force, Aviation Police, State House Investors Protection Unit (SHIPU), State House Anti-Corruption Unit (SHACU), Internal Security Organisation (ISO), Uganda Revenue Authority (URA), Uganda Civil Aviation Authority (UCAA) and the energy ministry.

Police spokesperson, Rusoke Kituuma, confirmed the development last Thursday, saying that following the meeting, PMPU, together with the energy ministry, carried out a series of operations targeting fraudulent refineries and sites around Kampala and Wakiso districts.

"The team closed 15 illegal gold refineries in and around Kampala, specifically in areas like Muyenga and Buziga, which were used to stage fraud operations, often targeting foreign investors with low-priced gold offers," Kituuma said, New Vision has obtained a confidential report which names the security companies involved and the recommendations against them.

HOWKS GUARD SECURITY

New Vision has learnt that PMPU raided Hawks Guard Security following a complaint filed by Thomas Vinal, an Indian national, who claimed that he had been conned out of \$2m (sh7.4b).

Investigations revealed that Hawks Guard Security was licensed to operate as a private security organisation offering guard and escort duties, but the company's premises were used by different people to commit gold fraud. The company claimed it carried out storage, but did not have a mineral dealer's license.



Eight suspects (standing) who allegedly conned, Gbillah Mark Terseer a Nigerian Member of Parliament, of \$70,000 (sh266m) in a fake gold scam paraded before the media at the SHACU offices



Police spokesperson, Rusoke Kituuma

From the company premises, PMPU officers recovered key exhibits, including samples of fake gold that had been allegedly sold to the victims, and arrested two key suspects: Patrick Male and Alain Siza Guillaume.

Other impounded items included stamps, motor vehicles and visitors' books where victims reportedly signed during the alleged fraud transactions.

B-SAFE SECURITY SYSTEMS

This company was licensed to operate as a private security organisation, but it offered storage services for minerals, yet it did not have a mineral dealer's license. The raid on the company was prompted by a case of obtaining money by false pretence worth \$140,000 (sh520.8m) reported by an investor. A search was conducted at the company premises and several items relevant to the matter under investigation were recovered. The firm was ordered to close.

The report indicates the items recovered included fake gold, documents and smelting apparatus.

CHALLENGES FACED BY SECURITY

Security sources at PMPU said they were facing several challenges when dealing with individuals or companies involved in fake gold.

"Some of these individuals are heavily protected by people in top government offices. Once you raid the firm or arrest an individual, you start getting calls directing you to immediately release them," the source stated.

In some cases, the source revealed that foreign investors give powers of attorney to third parties, especially lawyers, who end up being compromised by fraudsters.

In other instances, victims abandon the cases out of frustration," the source added.

In August last year, the PMPU commandant, Ceaser Tusingwire, said the biggest challenge they were facing was cases of fraud associated with gold because of its high demand on the world market.

In October last year, State House Anti-Corruption Unit Deputy head Israel Ochwo said suspected gold fraudsters made a heist of over sh655b from both local and foreign potential investors countrywide in the month of August 2025.

in court and once we are exonerated, they will pay heavily, including anyone who reported on the matter, because the Police also sometimes get hearsay, take the file to court and then the court pronounces itself. None of that has happened. We have been to court twice and none of the victims has turned up," Mugisha said.

He revealed that they kept the package that was brought to them and the alleged investor came and picked it up in the format he had brought it.

"I don't have mechanisms to verify whether what he kept with us was actual gold. My job is only safekeeping. I kept it, you paid each other, they came and picked their gold and went, whatever happened after is none of my business," Mugisha added.

DUCK HUNTERS

It was licensed to carry out guard duties and mineral storage services. The company has a mineral dealer's license and offers storage services to clients with minerals, especially gold. However, sources revealed

that scammers were allegedly using the company premises to defraud unsuspecting victims, especially foreigners.

AURUS TRADERS

Two cases of fraud were reported against Aurus Traders Limited under references CRB 093/2025 and GEF/006/2025. The company allegedly operates using a mineral dealer's license number MDL20250544, which is on the wrong address according to the energy ministry.

In one of the operations, the victims reportedly led Police to the company offices in Lower Muyenga, where they were defrauded, leading to the confiscation of their items and closure of their office premises.

SPANEX CARGO

Ajith Pahuja, an alleged victim who claimed he was conned out of \$73,250 (sh272.8m), led Police to Spanex Cargo Company offices. The company did not have a mineral dealer's license, and neighbours had earlier reported them to the Police that their premises were being used to scam investors. Police also impounded a melting apparatus from the company premises.

KELIBAR LOGISTICS

It was operating without a mineral dealer's license and the local council officials reported that the company offices were being used for allegedly scamming foreigners. Police raided the office and recovered several items, including smelting apparatus, before closing the premises.

Security sources said the company offices were being used to scam unsuspecting victims in a gold transaction. The company also did not possess a mineral dealer's license. A report by PMPU revealed that a search at the company premises recovered fake gold.

MIDASGKO MINERAL TRADE

According to the report, a case of operating an illicit gold trade was registered against Midasgko Mineral Trade. With the help of the complainant, Fred Kidima, the PMPU head of operations, led a team to the company premises along Senfuka road in Muyenga on September 3, last year.

"It was also established that PMPU had earlier registered a case of fraud and the victim led the Police to the same premises during investigations," the report said.

However, an official from Midasgko, who preferred anonymity, told New Vision that they had also petitioned PMPU after alleged fraudsters opened up a similar office in Muyenga and that they were using it to con investors.

"We are located along Entebbe Road and not in Muyenga as alleged by PMPU. We petitioned PMPU and requested them to hunt for the suspects using our name," he stated.



The team closed 15 illegal gold refineries in and around Kampala, specifically in areas like Muyenga and Buziga.

However, Dr Lawrence Mugisha, a director at B-Safe Security systems denied that they were involved in gold scamming. "You people are hurting the source of milk for my children. These are very grave allegations. As far as B-Safe is concerned, we are suing those people who claimed we conned them. The matter is currently