

GUYANE (FRENCH GUIANA)

By J. M. Harris

Peter W. Harben Inc. Mineral Consultancy, Las Cruces, New Mexico 88011 US (peterharben.com)

The French space centre at Kourou has been putting Guyane on the map. Most recently 2002 saw the Ariane-5, the latest and most powerful of the European Agency's series of unmanned rockets, spearheading Europe's effort in the commercial rocket market. It launched the US\$2,200 million ENVISAT satellite that will study the earth's environment and be the first to monitor compliance with Kyoto Protocols.

Not surprisingly then, Guyane is a curious mixture of space age and stone age with a population ranging from technicians and Hmong farmers to indigenous people in the interior - much of which is only accessible by river travel with a few authorised landing strips. As a Departement of France since 1946 this small country - with under 200,000 inhabitants and dominated by thinly populated rain forests which swallow all but the coastline - has an economy tied closely to that of France, through mining laws, imports and subsidies; the latter afford a relatively high standard of living regionally. Fishing and forestry are the most important economic activities other than the French space centre at Kourou, and sugar cane is the major cash crop along with some rice as well as machinery and transport equipment. Bauxite deposits of 42 Mt and kaolin deposits of 40 Mt have been found but extraction is not economically viable in the foreseeable future although kaolin mining is beginning in the Mana area. There are also reserves of silica, niobium and tantalite. Gold is mined by a dozen Guyanais companies and over 100 small-scale miners.

Gold and diamonds have certainly sparked interest, as the Guiana Shield hosts both; in Guyana, Guyana Goldfields Inc. has even entered into an option agreement to acquire four platinum/palladium properties this year. In 2000, Guyanor and Golden Star announced

results from the bulk sampling programme undertaken by Guyanor and its then joint venture partner Rio Tinto on the Dachine diamond project; although Rio Tinto withdrew from the project Guyanor intended to evaluate the remaining targets in the region, notably Vitoria and Palofini, where diamonds had been found earlier that year and a new exploration permit had been applied to cover those areas. Gold has been mined at a number of placer sites in the interior of Guyane since 1853 with most exported to France. The value of production has amounted to about 4% of the total GDP of almost US\$900 million.

Franc-Or Resources experienced some regulatory delays in the past with the local administration, but has initiated small-scale production from the Haute-Mana mining gold concessions, although it has made more news recently with its investments in a Montreal biotech company. Guyanor remains focused on the identification, exploration and development of significant mineral deposits, principally gold and diamonds, and it has held interests in the Yaou, Dorlin, St-Elie and Paul Isnard gold properties.

Last September it announced that Rio Tinto Mining and Exploration Ltd had withdrawn from the agreement in which Rio Tinto could have earned a 70% interest in the Paul Isnard project by spending a total of US\$9 million on exploration and development. Rio Tinto's decision came after the first phase exploration programme conducted from February to August of last year failed to indicate the potential to meet Rio Tinto's resource target requirements. Consequently, Guyanor has been in discussions with several senior mining companies concerning a possible joint venture after the withdrawal. On October 31 of last year Cambior announced that it had entered into an agreement with Golden Star

Resources Ltd. to acquire its 50% interest in the Gross Rosebel property in Suriname and to complete additional transactions regarding Omai Gold Mines Ltd in Guyana, the Yaou and Dorlin properties in Guyane and other exploration properties in the Guiana Shield. The company expects to benefit from the strong synergy with these projects and reduce capital expenditures through the transfer of available equipment.

This year Hope Bay Gold Corp. also announced that its wholly-owned Guyane subsidiary, CBJ-France SARL, has signed an agreement with Asarco Inc. to purchase its subsidiary in Guyane, Asarco Guyane Francaise SARL (AGF). The latter holds the Camp Caiman Gold Project, as well as the Matarani exploration permit, with another pending exploration permit, all of which are located in the eastern part of the country. Camp Caiman is an advanced development project with identified gold resources of over 2 Moz. AGF has spent some US\$15.8 million on the project resulting in the identification of two orebodies, Scout and C-88; these gold resources consist of both saprolite (oxide) and hard rock (sulphide) material. The BRGM completed the June 2001 geostatistical resource estimation and a full programme of metallurgical work on both types of ore has been completed by AGF. Hope Bay intends to focus on the development of the oxide resources at Camp Caiman, with a preliminary US\$3 million

programme of in-fill and extension drilling planned, followed by updated resource estimation; CBJ-France will then carry out a feasibility study on development of the oxide resources only, plus carrying out exploration on its own nearby properties with a view to providing additional oxide ore to the Camp Caiman development. Prior to its completion of a business agreement with Miramar Mining Corp. (which does not include Hope Bay's Guyane assets) Hope Bay will form a new company, Ariane Gold Corp. to holds its Guyane assets.

Although Guyane depends on imports for its other mineral requirements, especially cement and fuels shipped through the port at Cayenne, sand and stone are mined and consumed by the local construction industry. Sand is dredged from the major rivers, mainly the Mahury and Maroni in the west and stone has been quarried at Cayenne and to the southeast of Kourou. A tile and brick-making plant, based on fields of red clay, operates in the Cayenne neighbourhood. The Ministry of Industry's Direction Regionale de l'Industries, de la Recherche et de L'Environnement (DRIRE) is responsible for the minerals exploration permitting process, assessing applications, and awarding titles, so a referral from DRIRE to the Bureau de Recherches Geologiques et Minieres (BRGM) of France is necessary for access to public records of geological mapping and mineral inventory studies.