THE MINERAL INDUSTRY OF

FRENCH GUIANA

By Alfredo C. Gurmendi

Guyane (French Guiana) has been an Overseas Department of France since 1946 and is closely tied to France through trade, which accounted for more than 50% of total imports and exports. Most of the gold produced is exported to France. In 1997, the main mine output was gold, the value of which amounted to about 4% of the estimated gross domestic product of almost \$950 million.¹ Primary gold occurred in the Precambrian Shield area. More than 90% of the gold produced, however, came from placer operations. Placer gold has been mined and smuggled from sites in the interior since 1853 (Mining Journal, 1998, p. 20).

The minerals sector continued to be administered according to French law. The granting of mineral exploration and production permits is administered by the Ministry of Industry's Direction Regionale de l'Industrie, de la Recherche et de l'Environnement. To apply for and acquire a mining title, a company must apply for a Personal Mining Authorization (PMA). To obtain a PMA, a company must be incorporated under French law, have an office and address in French Guiana, and have a board of directors composed by at least two-thirds of European Union citizens (Mining Journal, 1995, p. 6).

Modern exploration techniques were being used to probe the greenstone belts of the Guiana Shield. Particularly active were Denver-based Golden Star Resources Ltd. (GSRL) and

its partner Guyanor Ressources S.A. (Guyanor). Guyanor was incorporated under French law and listed on the Nouveau Marché of the Paris stock market (White, 1997). GSRL's equity was to increase to 71% in 1997 from 69.3% in 1996, but this change was subject to regulatory approval (Skillings Mining Review, 1998). GSRL and Guyanor were focused on the prospection, exploration, and development of mineral deposits, in particular gold and diamond. They were exploring at their three main projects—Yaou, near Maripasoula; Esperance, western Guyane; and Regina Est, southeast of Cayenne (Golden Star Resources Ltd., 1998, p. 3).

New York-based Asarco Incorporated (Asarco) was granted an option to acquire a 50% joint venture in the St Elie/Dieu-Merci project, 120 kilometers (km) west of Cayenne, and will spend up to \$10 million over 5 years to explore and evaluate the property and to complete a feasibility study by September 1, 2000. St Elie/Dieu-Merci is owned by Société de Travauxs Publics et Mines Aurifères en Guvana (Sotrapmag), where 20,000 cubic meters of mineralized alluvial material grading 4 grams per cubic meter of gold was delineated (Mining Journal, 1998, p. 20).

Sotrapmag's Paul Isnard alluvial operation, in the Northern Greenstone Belt, located 75 km south of Saint Laurent du Maroni was considered to have a potential for expansion. Alluvial gold was recovered by five washing plants located at Barthelemy, Citron, Petit Lézard, Reine Creek, and Topaze Creek. Paul Isnard's gold reserves, based on a \$350 gold price, were about 16.8 million metric tons grading 1.9 grams per metric ton, representing some 32.2 metric tons (1.04 million ounces) of contained gold. Asarco had an option to acquire 50% interest in Paul Isnard by spending a minimum of \$10 million by June 2001 (Golden Star Resources Ltd., 1998, p. 1).

Asarco and Guyanor entered into a 4-year option to earn a 100% interest in the 155-square-kilometer Dieu-Merci property, which is contiguous to the western and southern boundaries of the St-Elie property, where both parties have ongoing gold exploration programs (Canada News Wire, July 29, 1998, Guyanor Ressources S.A. and Golden Star Resources Ltd. announce exploration update and drilling results from Paul Isnard, data accessed July 29, 1998, on the World Wide Web at URL: http://www.newswire.ca:80/releases/ January 1998/15/c3083.html). Guyanor will act as project manager for exploration, and Asarco, once vested, will act as manager of any resulting feasibility study and potential mining.

In French Guiana, alluvial deposits continued to be the main sources (in order of importance) of gold, columbite, and tantalite. Sand is dredged from the major rivers in the western region of the country, primarily the Mahury and the Maroni. Stone was quarried at Cayenne and to the southeast of Kourou. (See table 1.) Sand and stone continued to be consumed by the domestic construction industry; the country, however, depended on imports for its other mineral requirements, especially cement and fuels, which are shipped through the port at Cayenne. Interests in gold mining and diamond prospecting are expected to grow as foreign companies and investors focused on gold and diamond opportunities in French Guiana, as well as in the rest of the Guiana Shield.

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Major Sources of Information

Direction Regionale de l'Industrie, de la Recherche et de

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¹Where necessary, values have been converted from French francs (F) to U.S. dollars at the rate of F5.9243=US\$1.00.

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Major Publications

BRGM, Chronique de la RECHERCHE MINIERE, no. 518, Orléans Cedex 2, 1995.

Gédim (Paris, France): Réalités Industrielles, Annales de Mines, monthly.

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 ${\bf TABLE~1}$ FRENCH GUIANA: ESTIMATED PRODUCTION OF MINERAL COMMODITIES 1/

Commodity		1993	1994	1995	1996	1997
Clays	metric tons	5,000	5,000	5,000	5,000	5,000
Columbite and tantalite	kilograms	1,100	1,100	1,100	1,100	1,100
Gold, mine output, Au content	do.	2,800 2/	2,270 2/	3,000 2/	3,000 2/	3,000
Sand	thousand tons	1,000	1,500	1,500	1,500	1,500
Stone, crushed	do.	1,400	1,500	1,500	1,500	1,500

^{1/} Includes data available through April 1998.

Source: Direction Regionale de l'Industrie, de la Recherche et de l'Environnement.

^{2/} Reported figure.