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UNITED NATIONS REVOLVING FUND FOR NATURAL RESOURCES EXPLORATION

PROJECT RECOMMENDATION BY THE ADMINISTRATOR

Precious and Base Metals Exploration in Northern Haiti
(HAI/NR/80/001)

I. Background

1. Haiti is one of the most densely populated countries in the world and the only least developed country in the western hemisphere. Over 80 per cent of the working population are concerned with agriculture on 30 per cent of the land, and the development of mining enterprises would greatly assist in diversification of the economy while also providing export income. Although Haiti has good mineral potential, there is currently only one mining operation in the country.

2. Between 1972 and 1979 under three UNDP projects financed under the country indicative planning figure (IPF), (HAI/72/002, HAI/74/019 and HAI/77/001), regional mapping, metallogenic studies and mineral exploration were carried out over the northern half of Haiti. As a result of this work numerous attractive exploration possibilities came to light, but the amount of subsequent follow-up investment has been disappointingly low.

3. The Government of Haiti requested a fourth IPF-funded mineral exploration project, Evaluation de trois zones aurifères (HAI/80/001), which is now underway, and, subsequently, the Revolving Fund was also requested to evaluate other areas in the northern part of the country. As a result of missions carried out during 1981, specific zones were recommended for further exploration for gold, silver and base metals, forming the basis of the project described below.

II. The project

4. The objective of the project will be the discovery and evaluation of bedrock gold, silver, copper and other base metals in four selected zones in two areas, Gros Morne and Perches, totalling approximately 163 square kilometres (km²).

5. The Minimum Work will consist of:

Perches (Zones A and B):

(a) Geological mapping at 1:5000, geochemical surveys, pitting and trenching, and ground geophysics.

Gros Morne (Zones C and D):

(b) Geochemical exploration for gold, ground geophysics and/or trenching and pitting at the La Mine, Colombo, Rivière des Barres and Mazambete prospects in Zone C and the Nan Bouko-Coupé Conte and Dacilia prospects in Zone D and at any other prospects that may be recognized;

(c) If justified, the drilling of approximately six holes on the most favourable targets in one or both areas.

6. In carrying out the Minimum Work indicated above, the Revolving Fund will expend not less than the equivalent of US\$ 1 million over a period of about two years to finance the services of national and international staff, together with the necessary equipment, supplies and supporting services.

7. If the results of the Minimum Work justify follow-up, it is estimated that additional expenditures up to US\$ 1.5 million may be required to confirm economic potential. Such additional work may include detailed geophysical and geochemical exploration, topographic surveying, mapping, diamond drilling, and subsurface access, together with preliminary studies regarding beneficiation, infrastructure, and profitability. Further activities which may be required beyond the Minimum Work will only be carried out if justified according to the Fund's operational procedures.

III. Financial data

8. Revolving Fund allocation

	<u>US dollars</u>
Minimum Work	1 000 000
Possible additional expenditures for further activities following the Minimum Work	1 500 000
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Total possible cost of the Project	2 500 000

The financial assets of the Fund are adequate to meet the cost of the project.

IV. Recommendation

9. In the light of the above, the Administrator recommends that the Governing Council take note of the approval by the Administrator of the Minimum Work for the project, Precious and Base Metals Exploration in Northern Haiti (HAI/NR/80/001), at a cost of US\$ 1 Million as an obligation of the United Nations Revolving Fund for Natural Resources Exploration and approve this project involving a total possible expenditure of US\$ 2.5 million.

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