OTHER FUNDS AND PROGRAMMES

UNITED NATIONS REVOLVING FUND FOR NATURAL RESOURCES EXPLORATION

Project recommendation by the Administrator

Mineral Exploration for Gold in Rwanda (RWA/NR/83/001)

I. Background

1. In October 1983 the United Nations Revolving Fund for Natural Resources Exploration (UNRFNRE) received a request from the Government of Rwanda for assistance in the exploration for primary gold and tin mineralizations.

2. The UNDP/United Nations Mineral Survey project (RWA/77/005) has completed a considerable amount of geological, geochemical and trenching works, as well as some drilling in the Niungwe area.

3. The Fund's evaluation of possible economic mineralization in the target area was positive and has led to the development of this project and a work programme which covers the required exploration activities in two areas, Niungwe and Miyove.
4. The exploration potential of the two areas selected is considered to be good. The discovery and subsequent development of any economic mineralization found during the course of the project would be beneficial to the economic development of Rwanda and could be followed up rapidly through the State Mining Organization. Gold is a high unit-value commodity, readily saleable on foreign exchange markets.

II. The project

5. The objective of the project will be the discovery of mineralization of possible economic potential and the preliminary evaluation of such mineralization in the following two areas:

(a) Area I - Niungwe located in the south-western part of Rwanda near the Burundi border, covering approximately 300 km$^2$;

(b) Area II - Miyove situated approximately 65 km by road NNW of Kigali, covering a surface of some 140 km$^2$.

6. The Minimum Work will have a duration of about 20 months and will include the following activities:

(a) Area I - Niungwe
   
   (i) Compilation of existing data;
   (ii) Detailed geological mapping with emphasis on structure;
   (iii) Detailed soil geochemistry as well as detailed sampling of outcropping veins as needed;
   (iv) Trenching;
   (v) Preparation of samples and chemical analysis;
   (vi) Evaluation of the area for its primary gold potential;

(b) Area II - Miyove
   
   (i) Compilation of existing data;
   (ii) Detailed geological mapping;
   (iii) Detailed rock sampling of outcropping veins;
   (iv) Detailed soil geochemistry;
   (v) Regional geology and geochemistry;
   (vi) Trenching;
   (vii) Limited diamond drilling (to a depth of ± 600 m) on the known vein;
   (viii) Sample preparation and analysis as for Area I;
   (ix) Evaluation of the area for its primary gold potential.

7. In carrying out the Minimum Work described above, the Fund will expend $835,000 to finance the services of nationally and internationally recruited staff, as well as the provision of the necessary supplies, equipment and supporting services.
8. If the results of the Minimum Work are favourable, it is estimated that in order to better define and evaluate the economic potential of individual ore deposit(s) to the point where, in the opinion of the Fund, development investment can be attracted, additional expenditure of up to $1.5 million will be required.

III. Financial data

<table>
<thead>
<tr>
<th>UNRFNRE allocation</th>
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<tbody>
<tr>
<td>Minimum Work</td>
<td>835 000</td>
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<tr>
<td>Possible additional expenditures for further activities following the Minimum Work</td>
<td>1 500 000</td>
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<tr>
<td>Total possible cost of the project</td>
<td>2 335 000</td>
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The Administrator, in accordance with Governing Council decision 80/29 (E/1980/42/Rev.1, chapter XI) approved the Minimum Work for the project on 12 February 1985. 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 Mineral Exploration for Gold in Rwanda (RWA/NR/83/001), at a cost of $835,000 as an obligation of the United Nations Revolving Fund for Natural Resources Exploration, and approve this project involving a total possible expenditure of $2,335,000.