I. BACKGROUND

1. The project for Mineral Exploration in the Migori Area of Kenya (KEN/NR/78/001) was approved by the Governing Council at its January 1979 meetings 1/. On 24 October 1979, a Project Agreement was signed by the Government of Kenya and the United Nations Revolving Fund for Natural Resources Exploration. This Agreement, which became effective on 21 August 1980, granted the Fund the right to explore for minerals in an area in

1/ See official OR of the Economic and Social Council ESC, 1979, Supplement No. 10 (E/1979/40, annex II).
south-western Kenya comprising the Migori greenstone belt. The object of the exploration was to locate economic grade mineralization. The rocks in the area were suspected to host massive sulphide deposits and gold.

2. Reconnaissance exploration has been completed over the whole of the exploration area and 18 target areas have been tested by drilling. All the results have been evaluated and the only target area warranting further consideration is Wire Hill within Area IIA. Additional work on this target area is recommended.

II. COMPLETED WORK AND EXPLORATION RESULTS

3. The Wire Hill area is a major Archean felsic volcanic centre. All three zones tested by diamond drilling revealed significant sulphide concentrations and throughout the surface area examined there is an anomalously high incidence of silicified rocks which are frequently associated with supergene iron oxide mineralization. This combination signifies a good probability for the development of volcanogenic massive sulphide deposits. The ore metal associations encountered so far and the nature of the dominant rock lithologies indicate that most volcanogenic massive sulphide mineralization in the area will be of the Zn-Pb-Cu type. Considering that the Wire Hill area is virgin mineral exploration territory and has only received preliminary exploration and scant geological attention, the results from the drilling must be considered to be encouraging for the area as a whole.

III. CONTINUATION OF FIELD WORK

4. The objective of the work programme is the further evaluation of the mineralization in the Wire Hill area.

5. The target area has been retained by the Fund in accordance with Section 2.03(b)(iii) of Article II of the Agreement as amended and measures some 100 sq. kms. The extension of the field work programme is expected to be completed within 10 months and will include, but not necessarily be limited to, the following activities:

(i) Detailed geological mapping of the project area with emphasis on volcanogenic hydrothermal alteration patterns and structure;

(ii) Deep sampling of that part of the Wire Hill area covered by allochthonous material and laterite;

/...
(iii) Re-interpretation of existing geophysical (PEM, DEEPEM, MAG and IP) data;

(iv) Drilling of selected targets;

(v) Topographic surveying of the area covered by the present grid and of other target areas that may be developed during the present survey.

IV. FINANCIAL DATA

6. The programme outlined above is expected to be completed at a cost of not more than $531,000. This is $350,000 more than is available under the maximum expenditure of $2.6 million authorized by the Governing Council in 1979. The financial assets of the Fund are adequate to meet the costs of the supplementary short-term funding allocation.

7. This supplementary short-term funding allocation was approved by the Administrator on 28 March 1985, in accordance with Governing Council decision 81/8, II paragraph 2.