

# All that glitters in Ghana is gold

Small-scale mining remains a major source of gold production in Ghana

by Mark Andrews

South Africa has had a proud history of gold mining and Côte d'Ivoire is emerging as a powerhouse, however, right now Ghana is the top exporter of gold in Africa.

A reported 158t of gold was exported from the West African nation last year (South Africa 139t) largely from mines concentrated in the south of the country. But, while production has been strong, investment in exploration in Ghana has lagged as Burkina Faso and Côte d'Ivoire have attracted greater attention.

"People say that our grounds are mature, but I say the easy-to-find deposits are no more. We have to look harder and if you don't you won't gain. You have to spend more money to get more out, that is where we are at now," University of Ghana Department of Earth Science lecturer Prince Ofori Amponsah told **GMJ**.

The governments of Burkina Faso and Côte d'Ivoire have developed inviting conditions for explorers to help spark their respective gold industries. Those actions have not gone unnoticed in Ghana.

"The Chamber of Mines watches what happens in other jurisdictions to see what problems mining and exploration companies can be helped with. Ground rents have decreased quite significantly, which at least saves a lot of money for exploration companies," Amponsah said.

"When it comes to inputs, there are certain materials that are tax-free and there are other things that are increasing by the day. There are a number of things the Government is doing to take some of the problems off mining companies and little by little it is happening and we will get there."

Perhaps a key to the next chapter in Ghana's gold future could be the success of Azumah Resources Ltd and Cardinal Resources Ltd in the north of the country.

Azumah (Wa project) and Cardinal (Namdini) are poised to make significant announcements on the way to potential production at their respective projects.

Unlike the prolific gold-bearing region in the south, Ghana's northern pastures have not been explored to any great extent.

"This region is super, super underexplored. People forget that the Birimian [greenstone belt] continues way up into the north. It was not until Azumah and Castle [Minerals Ltd] came in and started making announcements that other people were attracted to other parts of the belt," Amponsah said.

"Azumah has almost 2.2 moz gold, Cardinal 5 moz and whether or not the mining is easy in this region we have defined resources in the region and the region is open for development."

## Ghana's top gold producing mines in 2018

Source: S&P Global

<b>Tarkwa</b>	<b>566,400oz</b>	(Gold Fields Ltd)
<b>Akyem</b>	<b>473,000oz</b>	(Newmont Mining Corp)
<b>Ahafo</b>	<b>349,033oz</b>	(Newmont)
<b>Chirano</b>	<b>246,027oz</b>	(Kinross Gold Corp)
<b>Iduapriem</b>	<b>228,000oz</b>	(AngloGold Ashanti Ltd)
<b>Edikan</b>	<b>208,226oz</b>	(Perseus Mining Ltd)
<b>Asanko</b>	<b>205,047oz</b>	(Gold Fields)
<b>Damang</b>	<b>143,600oz</b>	(Gold Fields)
<b>Wassa</b>	<b>137,234oz</b>	(Golden Star Resources Ltd)
<b>Bogoso-Prestea</b>	<b>121,757oz</b>	(Golden Star)
<b>Nzema</b>	<b>115,621oz</b>	(BCM International)
<b>Prestea underground</b>	<b>8,574oz</b>	(Golden Star)
<b>Obuasi</b>	<b>3,000oz</b>	(AngloGold Ashanti)

Amponsah said the success of Azumah and Cardinal would help demonstrate to people there were alternative options for employment than the ones currently attractive in the region where government jobs in health and education are highly sought after.

Now, with the gold price breaking through \$US1,400/oz and two potential new mines on the cusp of development, the mining story unfolding in Ghana's north is something Amponsah can use to motivate the next generation of mining academics in Ghana.

"Times are changing, companies are starting to invest in exploration and there are small openings coming up for a lot of people. I keep hammering to my students that it is not that grim out there in the mining sector," Amponsah said.

"People don't want to end up with nothing and it is hard getting academics into the industry. People are focused on job security and think that they are going to get a government job when they finish studies, as private companies have their money tied up in the stock market and might have other priorities."

Raising money in Ghana to drive mining projects is difficult, increasing the need to boost skills within the country, according to Amponsah.

"We need more investment in the industry but we can't raise money on our own stock exchange, so we need more foreign

investment," Amponsah said.

"We also need to learn fast and that means if we can't raise the money, then we need the technical know-how to use that investment when it comes."

Amponsah, a lecturer at the University of Ghana's Department of Earth Science, has benefitted from the Australian Government-backed West African Exploration Initiative (WAXI) and is now encouraging the next generation of Ghanaian geologists to embrace the mining culture and opportunities.

"WAXI has been able to train 92 students so far in Africa. In terms of capacity building in African mining, WAXI has helped more than any other research group that I have seen," Amponsah said.

Amponsah is also on the team at Azumah and is nurturing a young, vibrant workforce who could well be driving Ghana's mines of the future.

"Having Azumah here, finding something and wanting to build a mine in the very near future, as well as Cardinal, opens up the region and makes it more economical," Amponsah said.

"The mines will attract people here because we know the indirect employment opportunities that come from mining. Azumah's mine will be super important because I don't think the region can attract and develop what it wants to without the mine."