

Guyana Geology And Mines Commission

1995

Annual

GEORGETOWN

OMAI



Report

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THE GUYANA GEOLOGY & MINES COMMISSION
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1.0 GEOLOGICAL SERVICES DIVISION

1.1 Introduction

The Geological Services Division consists of three sections, the Geological Field Section the Chemical Laboratory, and the Petrological Laboratory. The Geological Services Division's functions under the GGMC Act 1979 are - the promotion of mineral development; providing technical assistance in mining, mineral utilisation and marketing of mineral resources; mineral exploration; research in exploration, mining and utilisation of minerals and minerals products; enforcement of the conditions of Prospecting Licences, Prospecting Permits and Mining Permits for medium scale operations; collection of rentals, fees, etc.

The Geological Field Section's ability to undertake geological survey was constrained by the unavailability of field Geologists. There was only one field Geologist on staff, and one field project - the Monkey Jump Quarry - was undertaken.

There was considerable disappointment as the five technical assistance projects planned for 1995 did not materialize. These were:-

- i) Commonwealth Technical Assistance for mineral inventory survey in southern Guyana - essentially, the provision of a Senior Geologist/ Geochemist.
- ii) Indian Technical and Economic Co-operation (ITEC) for mineral inventory survey in southern Guyana essentially, the provision of a Senior Geologist/Geochemist.
- iii) Technical Assistance from the European Union for mineral inventory survey in southern Guyana - provision of Senior Geologists, Geochemist field and laboratory equipment, computer hardware and software supplies, training in-field, overseas and training in-house.
- iv) UN Technical assistance for training in the interpretation of geophysical data and the preparation of 'error free' digital aeromagnetic geophysical data base, preparation of updated airborne geophysical (magnetic) maps in colour/contour form at a proposed scale of 1:250,000 - provision of computer software, and training.
- v) A co-operative project of mineral inventory to be undertaken collaboratively between GGMC and the United States Geological Survey (USGS) - provision of senior geologists, geochemists, geophysicists, field and laboratory equipment, computer hardware and software, training-in-house, in-field and overseas.

The administration of Prospecting Permit and Licence properties continued to generate much activity. The Geological Field Section and Cartographic staff were very occupied as they sought to consolidate gains made in expediting the processing, and grant of the large volume of Prospecting Permits.

As in 1994, the sub-professional staff was augmented, as one graduating Geotechnician and four Field Assistants were added to the staff. These were all GGMC scholars who pursued the Diploma in Technology in Geology at the University of Guyana. Those appointed as Field Assistant did not complete the Diploma in Technology in Geology.

1:2 Geological Field Projects

Monkey Jump Quarry Survey-November 1995. A survey was undertaken at Monkey Jump from November 1995. The Survey was done by Geologist Gordon Nestor, with assistance from Geotechnician Paul Welch. The aim of the survey was to determine the quarriable reserves in Monkey Jump 1 and 2 Quarries.

1:3 Prospecting Permits

Some 1,500 applications for Prospecting Permits, 200 applications for Mining Permits and 1,200 Prospecting Permit-grants were anticipated in 1995. Although 1,299 applications for Prospecting Permit were received and 1,158 were granted, compared with 1,753 applications received and 1,137 grants in 1994. Thus, the rate of Prospecting Permit applications slowed by a significant 35% over 1995 while the rate of grants increased marginally by 2% over 1994.

The number of renewals - 712, was approximately seven times the number of renewals in 1994 (95) and 102% of the projected 700.

Table 1 - **Statistics for Prospecting Permits for 1995**

	Actual	Projected	% Achieved	Actual 1994
No of Prospecting Permits applications	1299	1500	87%	1753
No. Of Prospecting Permit granted	1158	1200	97%	1137
No. Of Prospecting Permits renewals	712	700	102%	95
No of Prospecting Permits cancellations	16	-	-	-
No. Of Prospecting granted and renewed	2011	2200	91%	1232

1:4 **Prospecting Licences**

Fifty (50) applications were received out of a projected sixty (60), and sixteen (16) Prospecting Licences were granted in 1995, out of a projected sixty-five (65). Ten (10) of the sixteen (16) Prospecting Licence were granted to local applicants. A large number of the thirty-two (32) Prospecting Licences approved for granting in 1994, a large number of the thirty-two (32) that were being processed at the end of 1994, and a large number of the new applications received in 1995 were not granted in 1995. Nonetheless, the sixteen (16) Prospecting Licences granted were a marked improvement over the three (3) granted in 1994.

Thirty-five (35) Prospecting Licences were in force during the year, compared with nineteen (19) in 1994. Of the fifty (50) applications received, six (6) were from a regional company, twenty-eight (28) were from foreign companies, including twenty (20) applications made by Golden Star Resources Limited over their former Geological and Geophysical Survey Permission areas, as anticipated by the Permission; and sixteen (16) were from Guyanese applicants.

The Commission therefore realized the success predicted in generating Prospecting Licences applications for targets defined through the Geological and Geophysical Survey Permissions. A trend towards a larger proportion of Guyanese and regional applicants for Prospecting Licences was served, and by comparison, there was a small number (seven) of foreign applicants. Of the seven foreign applicants, there were no applicants in 1995.

These trends indicate a need to strengthen our mineral promotion efforts targeting foreign investment, to speed up our processing procedures for the grant of Prospecting Licences so as not to cause applicants to lose interest, and to assist and promote the provision of sources of risk capital for exploration, as well as the acquisition of joint venture partners of Guyanese Prospecting Licences.

Table 2 - Prospecting Licences in force at December, 1995

No	Property	Company/Partnership	Date of Issue
1.	Eagle Mountain	Golden Star Resources	30-10-87
2.	Marudi Mountain	Romanex (Guyana) Ltd.	13-07-90
3.	Mariwa Sardine Hill Whitewater	Roraima Gold Corporation/ Odinga Lumumba	30-08-91
4.	Upper Sir Walter	Roraima Gold Corporation	07-09-92
5.	Imotai	Roraima Gold Corporation	07-09-92
6.	Ianna	Roraima Gold Corporation	07-09-92
7.	Wariri/Tupuru	Roraima Gold Corporation	07-09-92
8.	Quartzstone	Roraima Gold Corporation	07-09-92
9.	West Fork Aranka	Roraima Gold Corporation/GSR	07-09-92
10.	Baramita	Case Development Company/ Canarc	07-09-93
11.	Pott Falls	Giddings Industrial Company/ ADEX	15-09-93
12.	Mid Mazaruni	Exall	21-01-94
13.	Akaiwong	M.O. Correia	28-10-94
14.	Mazawini	HGB Ventures	28-10-94
15.	Okuwa Rivers Headquarters	Caribbean Resources Ltd.	3-2-95
16.	Tamakay	CIMICOL	20-2-95
17.	Issano/Kaburi	Cathedral Gold Corporation	21-3-95
18.	Deer Creek, Potaro	Pegasus Gold Corporation	21-3-95
19.	Black Water Creek Konowaruk	Pegasus Gold Corporation	21-3-95
20.	Cuyuni/Gold Rivers	Alfro Alphonso	26-4-95
21.	Aremu River	Edris Dookie	13-5-95
22.	Upper Monosse	HGB Ventures	13-5-95
23.	Five Star, Barima	Case Development Co. Ltd./Canarc Guyana Resources Limited	11-8-95
24.	Kaburi Hills	Jerome Carter	10-8-95
25.	Kaburi Hills, East	Richard Carter	10-8-95
26.	New River	Tanahamas Gold Co.	11-8-95

27.	Eteringbang	Guyana Goldfields Ltd.	4-10-95
28.	Tassawini	Wayne Vieira	4-10-95
29.	Kaburi River	George Hicks Mining Co.	23-11-95
30.	Groete Creek	Camdico	20-12-95

Prospecting Licence rentals received in 1995, was reported as \$27.493 million, just 34% of projection. The thirty Prospecting Licences in force were 39% of the projected seventy-six.

Table 3 - **Prospecting Licence Statistics**

	<u>Actual</u>	<u>Projected</u>	<u>% Achieved</u>	<u>Actual 1994</u>
No. Of Prospecting Licence applications	50	60	83	50
No. Of Prospecting Licences granted	16	62	26	3
Rentals	\$27.493m	\$79.789m	39%	

1:5 **National Development Strategy - Mining Sector**

The Manager Geological Services, was part of a multi-disciplinary team headed by Deputy Commissioner, Mr. Woolford, to comprehensively review the Mining Sector, deliberate on issues relating to and affecting the Mining Sector, and to prepare the Chapter on Mining for the National Development Strategy.

These activities culminated with the team's participation at the National Development Strategy Seminar held at the Ocean View Convention Centre, on October 25-26, 1995.

Manager, Geological Services wrote and submitted a report, "Natural Resources in Mining", as a contribution to the Mining Chapter of the National Development Strategy document.

1:6 Monitoring of Exploration Programmes

Monitoring of Exploration Programmes was carried out by the Geo-technicians. Prospecting Licence properties covered in 1995 were:

<u>Property</u>	<u>Company/Partnership</u>
Issano/Kaburi	Cathedral Gold Corporation
Blackwater Creek	Pegasus Gold Corporation
Baramita	Case Development Company/Canarc
Akaiwong	M.O. Correia
West Fork Aranka	Roraima Gold Corporation/Golden Star Resources
Ianna	Roraima Gold Corporation
Monosse	HGB Ventures
Akarabisi	Golden Star Resources Limited
Kaliaku	Golden Star Resources Limited
Piai	Golden Star Resources Limited

1:7 Exploration Results

In 1995, the Marudi Mountain Prospecting Licence Property was the most advanced in exploration, although no field work was undertaken in 1995. Exploration advanced to drilling at Aranka and Ianna Prospecting Licence Properties, and Banka drilling was undertaken at Monosse, Akaiwong and Baramita Prospecting Licence properties.

Marudi Mountain - Romanex (Guyana) Exploration Limited
Romanex (Guyana) Exploration Limited, is a wholly owned subsidiary of Sutton Resources Limited of Richmond, British Virginia in Canada.

In July 1995, Romanex submitted a report that evaluated their exploration work at Marudi Mountain in 1995.

In 1994, fourteen drill holes were completed on Marudi Ridge for a total of 2,652 metres, and twenty holes were completed at Mazoa, totalling 4,658 metres. Altogether, from May 1991, the beginning of the drilling programme, to the end of 1994, forty-eight (48) holes were drilled at and around Mazoa, and nineteen (19) holes were sunk at Marudi. A two-phase ground geophysical programme was undertaken from May 1991 to April 1992, comprising ground magnetics and VLF-EM surveying.

The area drilled at Marudi Ridge corresponds closely with the area previously drilled in 1946-48 by Rupununi Gold Company. Similar results were obtained for the range of widths of mineralisation and gold assay values.

1:8 Geology

Marudi Mountain Prospecting Licence property occurs in the Marudi Formation, one of the five belts of metasediments and metavolcanics, each of hundreds of square km in area, included in the Kwitaro Group.

The Marudi Mountain property is underlain by a layered sequence of rocks which have been folded to strike northwest. Most of the bedrock consists of mafic volcanic rocks and fine sediments, both clastic and chemical, including chert and carbonate and a variety of iron rich siliceous muds, and immature siliceous silt.

The sequence has been regionally metamorphosed to upper green schist and lower amphibolite grade, resulting in the formation of phyllites, schists, recrystallised chert - quartz - magnetite iron formation called 'quartzite' - and amphibolites. A later phase of the contact metamorphism resulted from the intrusion of the Marudi granodiorite.

Mafic andesite flows dominate the lower part of the section, forming the footwall to the mineralised quartzite unit at Mazoa and Marudi. At Marudi, the andesite is intercalated with chert and carbonate.

Gold bearing 'quartzite' dominates the middle part of both sections. At Mazoa a relatively uniform interval of quartzite with some interstitial carbonate, about seventy metres thick, unconformably overlies the andesite footwall. At Marudi, in contrast, the principal gold bearing unit contains alternating layers three to five metres thick of dolomite, quartzite and mixtures of silica and carbonate. Approximately a quarter of the gold bearing section at Marudi is carbonate, where the quartzite and carbonate package is approximately 40 metres thick. The gold bearing quartzite-carbonate unit influences the topography at Marudi Ridge.

A steep northeast trending fault truncates the northwest end of the mineralised quartzite block at Mazoa Hill, and other similar faults are suspected.

Geological Resources

The total measured, indicated and inferred resource at Mazoa and Marudi is given as 9.258 million tonnes averaging 1.80 grams gold per tonne (0.053 oz/ton) for a total of 538,628 ounces. The potential exists to increase this by 22,598 ounces to give a total of 561,226 ounces.

Most of the resource is at Mazoa, and Kilborn Engineering Pacific Limited in their 1995 "Marudi Mountain Evaluation Report" estimated measured and indicated resource at Mazoa Hill, to be 7.395 million tonnes at 1.83 grams gold per tonne above 0.01 gram per tonne cut-off. Inferred resource at Mazoa Hill at the same cut-off was estimated at 862,000 tonnes at an average grade of 2.45 grams gold per tonne.

The gold resource at Mazoa Hill has been estimated at 435,102 ounces, with potential to increase this to 457,700 ounces by further definition drilling. At Marudi, a total resource of 103,526 ounces is suggested for a total of 538,628 ounces outlined in the two areas (1.4 metric tonnes averaging 1.89 grams per tonne gold). As noted earlier, potential exists to increase the Mazoa resource by 22,598 ounces. Although drilling has outlined some wide quartzite units elsewhere on Toucan Ridge, Mazoa and Marudi remain the only significant gold concentration defined to date.

All significant gold mineralisation occurs in the quartzite, which represents recrystallised chert or other forms of silica rich exhalite, plus one or more iron minerals. Magnetite is the dominant iron mineral in the quartzite but hematite, pyrite and pyhhorite may also occur. Hematite is the dominant iron mineral in the weathered zone.

It was recommended that further sampling of the quartzite which forms the upper west edge of the resource block at Mazoa should be further sampled; a percussion drillhole programme should be undertaken to investigate the upper 30-50 metres of quartzite at Mazoa Hill, where accessible; a vertical gradient airborne magnetic survey should be done over Marudi Mountain area; some of the ground magnetic anomalies should be drill tested; and the new information should be incorporated into the resource evaluation.

1:9 **Baramita Prospecting Licence - Case Development Company/Canarc**

In August 1994, Canarc Guyana Resources Limited optioned the Baramita Prospecting Licence from Case Development Corporation, and in October 1995, Canarc signed an agreement with Echo Bay Mines.

The Baramita Prospecting Licence area straddles the northwest-southeast trending faulted contact between the syntectonic gneissic granite in the north and mafic to acid metavolcanics intercalated with phyllites, mudstones and quartzites, to the south.

There are two major structural trends representing deep seated structures, one trending NW-SE, and the other trending NNE-SSW to NNW-SSE. The NW-SE structural trend, mapped as the Baramita fault, is represented by the contact between the granite and the interlayered metavolcanics/metasediments.

The fault zone, which trends at 130-150° and dips 75° NE, is marked by the hydrothermal alteration of the leucrogranite into sericite and quartz; reverse faulting at the Millionaire Prospect at the extreme south east of the property, and a zone of deformation that extends for 4.2km from the Millionaire Prospect to Old World Prospect at the west of the property.

The zone of deformation and faulting is bounded in the south by an oxide facies of banded iron formation with 30% hematite and 12% goethite, resulting from the intense recrystallisation of a chemical sediment. It is associated with silicified mylonites with large crystals, representing parallel bands of intense deformation at the core of the deformation zone. The deformation zone is approximately 600m wide. The other major structural trend is related to a major NW-SW trending lineament that intersects the Baramita fault on the eastern half of the property near Millionaire and Reserve prospects.

Primary gold prospects have been mined at six localities - Millionaire, Reserve, Golden City, Old World, Crocodile and Marcus workings - since 1916 both at surface and underground. Recent work has identified other new zones of mineralisation including Crocodile Head, Samson Baird Pit and New World gold occurrences. The gold prospects/occurrences occur along two parallel trends - the zone of deformation, mentioned earlier, and another trend to the north.

The deformation zone hosts the Millionaire, Reserve East and West, New World and Old World prospects, while the more northerly zone hosts the Golden City Crocodile Creek, Crocodile Head, Samson Baird and Last Resort workings, entirely within the granite. It is thought that this trend represents a major fault similar to the fault along the deformation zone.

Three major styles of mineralisation occur. The most important type is associated with the leucogranite at last resort. Gold is associated with flat lying to low dipping extensional quartz veins in the leucogranite, which is weakly sheared and extremely affected by hydrothermal alteration (sericitization, silicification and pyritization).

At Millionaire, gold mineralisation is controlled by the reverse fault at the contact of the banded iron formation and the leucogranite.

At New World in the deformation zone, gold mineralisation occurs in mylonitic and cataclastic units of volcanic origin, in pyritic zones, as well as in quartz. The gold bearing structural trend seems to have a minimum strike length of 2km. There are rhyolite flows with quartz vein stockworks with pyrite and visible gold over widths of up to 25 metres. The mineralisation trend to the west of New World is considered to be a weakly mineralised trend 1.2km long. Gold mineralisation at Old World occurs similarly, in a stockwork system in highly altered and metavolcanics. However, mineralisation is less pervasive than at New World occurrence. The banded iron formation is usually associated with acid volcanics and gold mineralisation.

Sericitization, silicification and sulphidation occur in all of the gold mineralised rock types. Sericite alteration with associated silicification are the main gold related alteration products.

Work was done at Old World, Millionaire, Last Resort, Crocodile Head, Golden City, and New World - six occurrences. Exploration work consisted of soil (auger) sampling, stream sediment and pan concentrate sampling, rock sampling for lithochemical analysis, geophysical resistivity EM-16-R, scintillometer and IP Surveys, topographic surveys, banka drilling (224 holes totaling 1,213 metres), geological mapping, trenching, and diamond drilling (3 holes totaling 671 metres) were completed. Diamond drilling was done with a BBS 25 rig contracted from GGMC.

Results from geophysical surveys (IP and resistivity surveys over the two mineralised trends will be used to identify diamond drill targets). Resistivity surveys successfully delineated the fault systems, and IP surveys were used to define the mineralised zones. Two holes were drilled at Last Resort to test the gold mineralisation in the leucogranite and one hole was drilled at New World to test the gold mineralisation in the deformation zone.

Golden City occurrence was targeted for detailed work (geophysics EM-16R and scintillometer survey, deep auger and hand trenching) in 1996, while detailed work was to continue at New World and Millionaire occurrences, and the weakly mineralised trend to the west of New World will be investigated further.

1:10 **Geological and Geophysical Survey Permissions**

There were no applications for non-grants of Geological and Geophysical Survey Permissions in 1995. Hence, the budget projection for three new Geological and Geophysical Survey Permissions was not realised.

1.11 **Cartographic Section**

Work related to mineral exploration and prospecting:

During 1995, approximately nine hundred and sixty-six (966) medium scale applications and fifty-three (53) Prospecting Licence applications were plotted, their acreages calculated, and verified in the Cartographic Section. Descriptions were either re-written or adjusted where necessary.

Topographic Stock Sheets at scale 1:50,000, depicting new applications were prepared, mended, adjusted and updated, as areas were abandoned or new applications processed.

Other Cartographic Work

At the Commissioner's request, a map showing Prospecting Permits and Prospecting Licences that fall within the Barama concession was prepared.

Art work and lettering for the design of a certificate for attendance at a Jewellers course sponsored by Burrowes School of Art and Guyana National Association of Goldsmiths and Jewellers was done.

A mineral graph was prepared at the request of Manager, Geological Services.

A map of Guyana at 1:500,000 scale in four quarters was prepared, showing present leases and recent applications.

A map was prepared at the request of Geologist, Gordon Nestor, for Phase II of the New River Mineral Resources Assessment Program.

At the request of Commissioner, maps showing Golden Star Resources Limited's large scale applications and closed areas, were prepared at scale 1:100,000.

Property status maps were printed and coloured.

During the month of September, the amount of Medium Scale applications decreased. The Senior Geologist advised that Draughtsmen continue working on the Geological Atlas Sheets Compilation of four sheets was started at scale 1:250,000. These sheets are Waini, Ekereku, Kamarang and Omai areas.

Plan Printing

Despite being fitted with a new part, and serviced by Xerox servicemen, the Plan printer was out of order for the entire year. However, prints were made twice per week at Xerox Copy Centre to facilitate external clients and staff. The total revenue for 1995 was seven hundred and ninety-three thousand, one hundred and ninety-eight dollars (\$793,198.00). Clients are charged a mark-up on maps printed at their request.

General Comments

During 1995, there were two training programmes in which staff of the Cartographic Section participated. These were:

- 1) Map Curatorship training programme
- 2) Computer training programme in Autocad.

1:12 Chemical Laboratory

The usual sub-division of the Chemical Laboratory into five section was maintained as follows:

1. Sample Preparation
2. Fire Assay
3. Wet Chemical
4. Spectrographic
5. Atomic Absorption

Staffing

Staffing of the Chemical Laboratory during 1995 was as follows:

<u>Designation</u>	<u>Staff</u>	<u>Remarks</u>	<u>Vacancies</u>
Senior Chemist II	S. Smith	Acting w.e.f 95-01-01	
Senior Chemist I	S. Smith	Substantive position	
Chemist	Nil		1
Analytical Officer II	C. Thompson	On full-time leave	
Analytical Officer I	R. Adams	Acting appointment	1
Technical Assistant I	R. Adams	Substantive position	
Technical Assistant I	T. Hicks		1
Laboratory Assistant -	N. Proffith		
Laboratory Assistant -	B. Currie		
Laboratory Assistant -	R. Wilson		
Laboratory Attendant -	Nil		1

As a result of the several vacancies which existed during the year the laboratory staff were encumbered with added responsibilities and certain staff members must be given some commendation. These persons are Ms. S. Smith, Ms. R. Adams, Mr. T. Hicks and Mr. R. Wilson.

Organisation and Operation of the Laboratory Sections

Sample Preparation Laboratory

During 1995 this section was utilised in the preparation of three hundred and fourteen (314) samples of average size, 1kg. Of these samples, eight (8) were rocks, fourteen (14) were soils and gravel, while two hundred and ninety-two (292) were black sands (heavy mineral concentrate).

Between January to March the operations of this section were affected by the following set backs:-

- a) Electric failure during January which affected the use of several equipment such as the Jaw Crusher and Extractor Fan, the Disc Mill Pulverizer, Sieve Shaker and Drying Ovens. Normal electrical supply was restored in early February.
- b) Painting of the inside walls and ceiling of the building during February month.

Status of Equipment

All the electrical equipment mentioned above are in good working condition. Three (3) other pieces of equipment are in need of repairs, namely:

- i) Vertical Pulveriser - motor to be rewound
- ii) Air Compressor - Filter and diaphragm
- iii) Disc Mill Pulverizer - one of two malfunctioning contractor switch and burnt motor.

Equipment needed for this laboratory includes:

- a) Bico Braun Pulverizer and accessories
- b) USA Standard Sieves
- c) Vacuum Cleaner.

1:13 Fire Assay Laboratory

During 1995 this section was grossly underutilized due to lack of samples for analysis. Only two soil samples were analysed by the Fire Assay method for the year. The furnace was, however, turned on and serviced at regular intervals to ensure that it was kept in working order.

Since the resignation of the Assayer, Mr. G. James, Technical Assistant II during 1994, no Assayer has been assigned to this laboratory. A recommendation was made for the intensive training of two (2) persons - Mr. N. Proffith and Mr. R. Wilson - in Fire Assaying techniques either locally or abroad so that the Fire Assaying capability of the Laboratory is effectively preserved.

Projected needs for this section in terms of capital equipment are as follows:

- 1) One assay furnace
- 2) One bullion (jewellery) roll
- 3) One high capacity analytical balance
- 4) One dust and fume extractor system to be installed
- 5) One Hydraulic Press and Hallmarking Stamp
- 6) Floor Fan (industrial)
- 7) Broken sink to be replaced.

1:14 Wet Chemical Laboratory

This section was utilized for the analysis of one thousand, two hundred and five (1,205) samples of which three hundred and thirteen (313) were soil, rock, gravel and black sand samples, three (3) were forensic samples submitted by the Guyana Police Force and eight hundred and eighty-nine (889) were articles of jewellery to be analysed for percentage composition, weight and/or karat determination.

The major setbacks during the year affecting analytical work in this section were:-

- 1) Painting of the laboratory during January and February.
- 2) Damage to both fume hoods of the extractor system during January. One of these were replaced in early March but the other is yet to be repaired.
- 3) Tiling of the entire floor surface during September.
- 4) Damage to the Barnstead Deionizing unit during the tiling operations. This unit had been the sole source of deionized water for laboratory use. Since its damage, water was obtained from the Agriculture department and the Chemistry department of the University of Guyana on different occasions. Efforts to put the deionizer back into operation have failed.
- 5) A severe water shortage which affected the laboratories early in the year.

The following equipment were put in use for the first time since they were acquired through the UNDP project:-

- 1) One Mettler AE 100 Analytical Top Loading Balance
- 2) Two Lindburg Hotplates - one of which has since failed to function due to a burnt resistor which is not readily replaceable.

The condition of the Fume Extraction System is deplorable. Work is to be done on three aspects of this system, namely:

- a) repairs to one fume hood,
- b) sealing of leaking duct, and
- c) vertical extension of the duct by 10ft.

Urgent job requests have been submitted for all of the above but no action was taken in response. As a result, fumes leaking from the system continue to adversely affect working in that area.

The capital equipment needs of this laboratory section is as follows:

- 1) Eye-wash unit with basin
- 2) Manesty still and spare elements - production of distilled water for Lab use.
- 3) Micro Balance
- 4) Acid storage cabinet
- 5) Specific Gravity accessories for Mettler Balance.
- 6) Air Condition Unit (for Chemist's office)
- 7) Desk-Top Computer and Software
- 8) Ten chairs
- 9) Pipe system of copper lines for propane gas.
- 10) Steel cage for housing 100lb propane gas cylinder.
- 11) Precision Analytical Balance.

The Wet Chemical Laboratory received a much needed face-lift during 1995 when the walls and ceiling were painted, the floors resurfaced with rubber tiles, a number of cupboards were repaired and bench tops were resurfaced in arborite or ceramic tiles.

1:15 **Spectrographic Laboratory**

Throughout the year this laboratory has not been utilised for analytical purposes since the Emission Spectrograph remained out of order throughout the year. However, it has served as office space for Mr. N. Chuck-A-Sang, Geophysicist of the Petroleum Unit. Since this laboratory room floods during excessive rainfall, it is recommended that the floor be raised by about three inches before being resurfaced with rubber tiles.

1:16 **Atomic Absorption Laboratory**

This laboratory was utilised in the analysis of three hundred and nineteen (319) samples of which three hundred and nine (309) were forensic samples and seven (7) were articles of jewellery.

There were few setbacks in the operation of this section. One being the water shortage which affected the Wet Chemical Laboratory, another being disruption in electrical supply during periods of power failure and yet another being delays in obtaining acetylene gas.

The Nitrous Oxide System of the atomic absorption instrument was out of order for several months, but was in May repaired by Chet Puran, formerly of Loring Laboratory when dire need arose. The system has since been fully operational.

Needs of the laboratory include the following:-

- 1) Hollow Cathode lamps for gold, silver, manganese, magnesium, sodium, potassium, calcium and copper.

- 2) Atomic absorption analytical standards for gold, sodium and potassium.

The floor of this laboratory also needs to be raised about three inches before being resurfaced with rubber tiles since flooding occurs during excessive rainfall.

Personnel and Other Matters

Health and Safety/Health Risk

During the second quarter of the year the matter of Health and Safety of laboratory staff was raised in relation to supply of therapeutics (tablets and beverages). It was recommended by the Senior Chemist that these be administered especially during peak periods when acid digestion and organic solvent extractions were in progress.

During the third quarter the laboratory staff unsuccessfully sought to have the current health risk allowance of thirteen (\$13.00) dollars per diem only when working in the Sample Preparation Laboratory, to be increased to a more realistic amount of not less than one hundred and twenty-five (\$125.00) dollars per diem. A letter dated 2nd September, 1995 was despatched to the Assistant Manager (P&IR) but to date the Health Risk Allowance remains at thirteen (\$13.00) dollars.

Meetings/Workshops

The Senior Chemist attended the following meetings during the year:

- a) The monthly meetings of the National Technical Committee for accreditation of laboratories in Guyana. These meetings were called to a temporary halt in August to facilitate the convening of such committee meetings to address the issue of safety in various types of laboratories with a view to the implementation of a National Laboratory Safety Policy.
- b) A workshop held at the Pegasus Hotel during August 2-4, which dealt with the promotion of International Labour Organisation (ILO) standards on Chemical Safety at the work place and the Prevention of Major Chemical Accidents. The Workshop was sponsored by the Ministry of Labour with technical co-operation from the ILO.
- c) The opening ceremony of a Training Programme on the Implementation of ISO 9000 - Quality Management and Assurance Standards, held on Monday August 14, 1995, at the park Hotel. This training programme was sponsored by the Guyana National Bureau of Standards under the auspices of the United National Development Programme.

Laboratory Visits

On April 25 and 26, the Laboratory was visited by the Manager, Guyana Gold Board and Dr. G. O'Campo, Metallurgist, Royal Canadian Mint, who were given a briefing on the assaying facilities and methods currently employed by the laboratory.

On August 15, the Manager, Guyana Gold Board, this time accompanied by Mr. C.B. Eddington, President of Triad Laboratories, Caracas, Venezuela, visited the Fire Assay Laboratory with the objective of examining the suitability of the laboratory and its facilities for the smelting of raw gold for the Guyana Gold Board.

During October month Mr. Pat London-Payne, Chemist, Linmine Bauxite Company, accompanied by Ms. Devica Prashad, Chemical Engineer of the same company, visited the Chemical Laboratory in an endeavour to become acquainted with the Fire Assaying facilities and other capabilities of the laboratory.

1.17 **Attendance at Conferences, Workshops**

Manager, Geological Services, Mrs. K. Livan, attended the Second Caribbean Industrial Minerals Workshop, held in Kingston, Jamaica, on October 30-31, 1995. The workshop was organised and sponsored by the Geological Society of Jamaica, with sponsorship support from the Inter American Development Bank (IDB). The Manager, Geological Services presented a paper entitled "***Industrial Minerals in Guyana: what hinders their development***". Mrs. Livan's attendance was sponsored by the IDB.

THIN SECTION LABORATORY REPORT JANUARY- DECEMBER 1995

No. Of Samples	Type of Samples	Date of Submission	Name of Company/Individual Requesting Analysis	Type of Analysis	Method of analysis	Date
8	Crushed drill core	95-07-05	Romanex (Guyana) Exploration	For Export	Visual/Microscopic	95-07-07
552	Saprolite/Hardrock	95-07-05	Cathedral Gold Corporation	For Export	Visual/Microscopic	95-07-07
1	Silica Sand	95-07-06	Jalsun Business Enterprise	For Export	Visual/Microscopic	95-07-07
101	Soil	95-07-10	Golden Star Resources Limited	For Export	Visual/Microscopic	95-07-11
1	Mineral	95-07-10	Golden Star Resources Limited	For Export	Visual/Microscopic	95-07-10
252	Saprolite/hardrock	95-07-12	Cathedral Gold Corporation	For Export	Visual/Microscopic	95-07-13
22	Pulverised rock	95-07-25	Omni Gold Mines Limited	For Export	Visual/Microscopic	95-07-13
1	Silica Sand	95-07-19	Sat Narine	For Export	Visual/Microscopic	95-07-21
17	Pulverised rock	95-07-25	Omni Gold Mines Limited	For Export	Visual/Microscopic	95-07-26
473	Saprolite/hardrock	95-07-26	Cathedral Gold Corporation	For Export	Visual/Microscopic	95-07-28
9	Rock	95-08-01	Omni Gold Mines Limited	For Export	Visual	95-08-02
	Pulverised rock	95-08-10	Linden Mining Enterprise Limited	For Export	Visual	95-08-10
1	Mineral	95-08-14	Golden Star Resources Ltd	For Export	Microscopic	95-08-14
	Rock	95-08-16	Guyana Goldfields Limited	For Export	Visual	95-08-17
92	Drill Hole	95-08-25	Guyana Goldfields Limited	For Export	Visual/Microscopic	95-08-25
418	Drill Hole	95-09-01	Guyana Goldfields Limited	For Export	Visual/Microscopic	95-09-01
256	Drill Hole	95-09-08	Guyana Goldfields Limited	For Export	Visual/Microscopic	95-09-08
118	Drill Hole	95-09-08	Guyana Goldfields Limited	For Export	Visual/Microscopic	95-09-09
147	Drill Hole	95-09-15	Guyana Goldfields Limited	For Export	Visual/Microscopic	95-09-16
129	Drill Hole	95-09-13	Guyana Goldfields Limited	For Export	Visual/Microscopic	95-09-16
101	Drill Hole	95-09-22	Guyana Goldfields Limited	For Export	Visual/Microscopic	95-9-23
1	Mineral	94-09-14	Golden Star Resources Limited	For Export	Microscopic	95-09-15

Total 3338

Analytical work done by the Chemical Laboratory - January - December, 1995

Submitted by	Location of Sample	Type of Sample	No. Of Samples	Test or element determined	Technique or method	Remarks
Mr. G. Nestor Geologist	New River	Heavy metal Concentrate (Black Sand)	292	Au and Base Metal	a) Geo Chemical Aqua Regia/AAS b) MIBK/AAS	Completed
A. Sargeant Mining Tech	Mazda Operations	Gravel	4	Au	MIBK/AAS	Completed
B. Singh (Private Enterprise)	Upper Demerara River	Rock Gravel	1 1	Au	MIBK/AAS	Cost \$2,000.00
L. Fredericks Mines Officer	St. Mary's Quaries, Barakara Quarries	Rock Rock	1 1	Specific Gravity	Water displacement method for a.g of solid	Completed
R. Nelson Geotechnician	Baramita	Rock Gravel	1 1	Mn Au	a) Geo Chemical Aqua Regia/AAS b) MIBK/AAS	Completed
D. Miggins Chemist, Pat. Unit	Waramari Berbice River	Soil	1	pH, Organics, Flamability	a) Universal ph Indicator Test b) L.O.I. c) Open Flame Combustion	Completed
Sat Narain		Rock	1	Pulverize to 180 km	Pulverization and Screening	Cost \$800.00

Submitted by	Location of Sample	Type of Sample	No. Of Samples	Test or element determined	Technical or method	Remarks
Guyana Police Force		Yellow metal Grey metal	2 1	Au Au, Ag, Fe, Hg weight	1) Wet Chemical 2) Wet Chemical	Certificate issue by Senior Chemist
L. Hopkinson of Linimine		Yellow Metal rings	7	% Composition - Au, Ag, Cu weight, Karat	Wet Chemical	Cost \$3,500.00
G. Nestor Geologist	New River	Clay Sediment	3	Au and total and partial Cu, Zn, Fe, Ni, Co, Mn, Ag and Cr content	1) MIBK/AAS 2) Aqua regia/AAS 3) Nitric Acid/AAS	Completed
S. Daniels Engineering Graphics Consultant		Soil	2	Au	Fire Assaying/AAS	Cost
A. Sargeant Mines Officer	9-Mile Issano	Rock and Gravel	4	Au	Aqua Regia/MIBK/AAS	Completed
G. Nestor Geologist		Rock	1	Specific Gravity	Water displacement method	Completed
Jewellers and Goldsmiths		Yellow metal jewellery	882	Karat	Specific gravity method	Completed

2.0 **MINES DIVISION**

2.1 **Introduction**

The Work Programme for 1995 was consistent with the mandate of the Commission whereby provision of technical assistance to the mining industry, the operation and maintenance of mining stations at hinterland locations, the compilation of environmental data, and the carrying out of demonstrations in the use of improved gold recovery systems, were some of the major areas focused on. To a large extent, the Inspectorate and Registry sections went ahead with their plans, but the Technical unit was severely hampered by a number of unplanned activities and the Mineral Processing unit by a lack of staff.

2.2 **Technical Unit** **Surveys**

Topographic Surveys and Quarries and Sand Pits

Two (2) Surveys were conducted in 1997. One (1) was to the newly opened sand pit along the Soesdyke Public Road, and the other to the stone quarries on the Essequibo river.

The new sand pit was inspected in January and opened later during the following month. It is owned by Viola Dos Santos and operated by her son Maurice Dos Santos. This survey, which took place in May, was the first for this pit and it was done mainly to establish bench marks. However, since it was an unworked area before opening, the survey was able to determine that 12,340 tons of sand was removed between January to May, 1995.

At the stone quarries, the survey was basically to calculate the volume and tonnage removed during September 1994 to June 1995.

The survey concentrated mainly over areas where there was visible evidence of extraction. At St. Mary's (Toolsie Persaud Ltd) quarrying activities were on the northern face of the western section of the quarry for approximately 550 feet in length and 25 feet horizontally. Results from tests determined the density of the rock to be 3.45 tons/m³. The survey determined that 31,117m³ or 107,353 tons of rock was removed during this period. At Monkey Jump (Baracara) the advance of the quarry face is relatively slow when compared to St. Mary's. Results from tests determined the average density of the rock to be 3.49 tons/m³. The survey determined that 6,723m³ or 23,463 tons of rock was removed during the period September 1994 to June 1995.

Hydrological Survey

Three (3) hydrological surveys were planned for this year, but only one (1) was conducted. The team, comprising of Hydrological personnel from the Hydrometeorological Department of the Ministry of Agriculture, Engineer, E. Watson, and Technician, C. Sparman from the Guyana Geology and Mines Commission (GGMC) took water samples from the Konawaruk, Essequibo and Potaro rivers for analyses of their quality and chemical content. Information was also collected on sediment concentration, velocity flow, discharge rate and the river bed load.

2.3 Inspection of Mines and Quarries

Gold and Diamond Mining Licences

Omai Gold Mines Limited (OGML)

Monthly inspection tours of five (5) days duration was planned for this operation. Only one (1) such tour took place in June and was carried out by Engineer, E. Watson. Subsequently, there was the August 19th tailings dam failure which spilled its cyanide tainted waters into the Omai and Essequibo Rivers and an Engineer was permanently placed at Omai on a rotational basis for the remainder of the year.

Engineers Squires, Vieira and Babb were on site to monitor the situation. The gold producing operations were closed down for the remainder of the year.

Mazda Mining

Four (4) seven day tours were planned for this operation. One (1) took place during the period 27th June to 4th July and was carried out by Engineers E. Watson and A. Sargeant. Three (3) locations, namely North Fork, Jeanette Creek and Hammer Head were inspected. Checks were made on the technological development of the company with specific emphasis being placed on the wash plant that began working in May of this year. Sanitation conditions, occupational health and safety and other mining related activities were also checked by the Inspectors.

Pereira Mining Company

Four (4) ten (10) day tours were scheduled for this operation. Only one (1) was done during the period May 23 to June 01 and it was carried out by Engineers D. Babb and A. Sargeant. At P. Pereira's 39 Miles Issano operation, the Inspectors checked the pit condition, processing operation and tailings impoundment dam. Also noted, was that debushing and mining had commenced at the Honey Camp area. Occupational Health and Safety practices at both 39 Miles and Honey Camp locations were checked by the Inspectors.

George Hicks Mining Company Limited

Four (4) seven (7) day tours were scheduled for this company. One (1) tour took place and it was done in conjunction with the Pereira Mining Company's tour.

At George Hicks operation which is situated at 9 Miles Issano, the Inspectors observed that the operation has been relocated since the last inspection. This operation which was closed from July-December 1994, recommenced operations in January 1995. Sanitation and safety conditions were checked. The Inspectors noted that Cathedral Gold Corporation is conducting extensive exploration in the George Hick's Concession area.

Camdico Mining Company

Four (4) tours were schedule for this property. Two (2) tours were carried out. The first during June 26 to July 03 done by Engineer D. Babb and Technician C. Sparman. The Inspectors observed that the operation was still in the pre-mining stage. Checks were made on the infrastructural, processing and mining developmental works. The second tour was in November and it was observed that the operation was still in the final exploration stage. At both tours, the Inspectors checked on the safety and sanitary conditions.

W. Phillipe Diamond Mining Operations

Two (2) seven (7) day tours were scheduled for this property none was carried out.

Bauxite Mines

Linmine, Bermine and Aroaima

Four (4) technical inspection tours of twelve (12) days duration was planned for the bauxite operations.

Three (3) mining operations at Linmine, three (3) at Kwakwani and the Aroaima mines were inspected. The inspectors carried out routine checks on field activities involving the stripping of overburden and mining of the bauxite to ensure conformance with mining practices.

The second tour was in October and was carried out by Engineers J. Mingo and E. Watson. Again, routine checks were carried out on field activities at the various mines to ensure conformance with safe mining practices. The inspection also showed that the haulroads were in good condition and that stockpile slope angles were adequate. Overall, the general condition of the mines were observed to be good.

Quarries

Stone Quarries

Four (4) one (1) week duration tours were planned for this year, four tours were completed.

The first tour was in April, done by Engineer D. Babb and was not a scheduled tour but was carried out on the Commissioner's instructions. During this tour the Inspector checked the status of the quarries and their approximate reserves.

The second tour was in May and Engineer R. Vieira and Technician C. Sparman were the Inspectors. They checked the quarries, namely Monkey Jump, St Mary's, Itabu and Teperu, for adherence to safe mining practices. Also, the use and storage of explosives plus occupational health and safety practices and sanitation conditions were checked at those quarries.

The third tour was done in September and was carried out by Engineer A. Sargeant along with two students from the University of Guyana Environmental Studies Department, who were on an attachment. This tour was primarily to conduct an environmental impact study of the quarries.

The final tour was done in November whereby the Inspectors checked the quarry operations for adherence to safe mining practices and Occupational Health and Safety conditions within the quarrying environment.

Sand Quarries

Four (4) tours of one (1) week duration were planned for the Sand quarries of Roraima Mining Company, Spring Point Management Limited and Equity Partners Development Company.

One (1) inspection tour was carried out during the month of May. The Inspectors being engineers J. Mingo and E. Watson.

At Roraima, the Inspectors checked their Occupational Health and Safety practices and sanitation conditions. Also, field checks were made of their quarrying progress in relation to their 1994 Quarry Plan which is still being used. Production Statistic figures and shipments made were also checked.

At Equity Partners, the Inspectors observed that infrastructural work had commenced but there seemed to be some doubts as to who is in control of the quarry.

Spring Point Management, showed no sign of work being done there recently.

Sand Pits

No inspection tour was originally planned for sand pits, however, two (2) ad hoc tours were done. The first was to inspect and investigate the conditions under which the new sand pit of Viola Dos Santos would be operated. While, the second was to investigate a complaint made by Emerald Tower regarding the destruction of the road due to Denis Rambarran's opening of his prospecting permit area along the Linden/Soesdyke Highway. Both tours were of one (1) week duration and was carried out by Engineer E. Watson.

Drilling

Contract Drilling

It was anticipated that contract drilling at Aroaima Bauxite Company would have continued during this year. This plan did not materialize and demobilization of the equipment took place in July.

A set of new drilling equipment was acquired by the section and the staff was involved in inventory of the equipment and repairs to the existing ones during the year. This plan did not materialise and demobilization of the equipment took place in July.

A set of new drilling equipment was acquired by the section and the staff was involved in inventorising the equipment and repairs to the existing ones during the year.

Rental of Drill Equipment

Drill equipment was available for rental throughout the year .

Others

The members of the Technical staff were involved during the months of July-September in the blocking out of the Proto-Mahdia Project area and the Red Hill Loop-Apaikwa area.

2.4 Mineral Processing Unit

Mobile Gold Demonstration Plant

The fabrication and assembly of a portable gold processing plant, the flowsheet of which was designed in 1994 was scheduled for completion by the first half of 1995.

This project was put on hold by the Commission 's Board of Directors. However, equipment ordered in 1994, that is, an IHC jig was received during this year.

Mineral Processing Laboratory

The department had planned that all small projects would begin during the second half of the year since it was projected that equipment and supplies proposed in the 1995 budget would have been in place.

However, up to the end of the third quarter, no directive to place orders for any of the items was received, and during the last quarter the only staff member was on leave.

Sluice Box Project

The primary objective of this project was to research and compile data on the past and current developments on sluice box technology on the local and international scene .

During this year the report on the review of literature began. However, it was found that there is a paucity of literature on sluice box development in Guyana, thus only literature pertaining to its use was available.

Two (2) attempts were made to visit two (2) locations that have modern sluice boxes operating, both attempts were unsuccessful.

Registry
Administration for Small and Medium Scale Mines
Statistics

4,658 Mining Privileges were issued for 1995
5 Challenges were before the Hearing Officer for 1985
2 Complaints were before the Hearing Officer for 1995
1,450 Prospecting Permits (Small Scale) were issued for 1995.

Dredge Registrations

303 dredges were registered for 1995

Size of dredges registered

2"	3"	4"	5"	6"	8"	10"	12"
1	3	115	89	86	2	5	2

36 dredges were transferred during 1995
15 dredges were scrapped during 1995

Licences

407 Goldsmith's Licence applications for 1995
59 Residential Permission applications for 1995
258 Business Permission applications for 1995
222 Trading Licence applications for 1995

Claims

A total of 1,777 claims were registered in 1995. One thousand and thirty six (1,036) were for Gold, 261 for Precious Stones, 356 for Gold and Precious Stones and 124 for river locations. Of these, 530 were in Mining District No.2 Potaro; 744 in Mining District No. 3, Mazaruni; 216 in Mining District No.4 Cuyuni; 114 in Mining District No.5, North West and 173 in Mining District No.6, Rupununi.

Local Gold and Diamond Declaration for 1995

<u>Gold</u>	<u>Diamonds</u>
99,080 ozs	54,039.19 cts

A decrease of 7,631 ozs or 7.7% in gold and an increase of 20,031.58 cts or 58.9% in diamond declaration.

2.5 Inspectorate

Inspection Tours

Ten (10) Inspection tours to the various mining district were planned.

Tours completed were as follows:

<u>Location</u>	<u>No. Of Tours</u>	<u>No of Days Spent</u>
Kaburi	5	28
Akaiwanna	1	14
14 Mile Issano Road	1	5
Partang (Imbaimadai)	1	14
Lower Potaro/Konawaruk	2	15 and 4 days respectively
Ekereku	1	2
Pot Falls/French Man	1	4
Barama/Arakaka	1	13
Supervisory Tour/Mahdia	1	7

These tours were made to areas not serviced by the mining stations. Revenue collection, general monitoring and verification of claims were the general work done on these tours.

2.6 Mining Stations

Four (4) mining stations, operational for forty four (44) weeks, and the Bartica mining station, operating the entire year, was the plan for 1995.

During the year a total of six (6) mining stations were operational as follows:-

1. Mahdia mining station, serving the Tumatumari, Kaieteur, Upper Potaro and Kuribrong Rivers was operational for 182 days.
2. Puruni mining station, serving an area extending from Marshall Falls to Semang on the Mazaruni river, including the Itaki river was operational for 182 (one hundred & eighty two) days.
3. Matthews Ridge station, serving Arakaka, Mabaruma, Eclipse Falls, Lower Barima and Barima rivers was operational for 182 (one hundred & eighty two) days.
4. Aranka mining station, serving both banks of the Aranka and Aremu Rivers and an area in the Cuyuni River extending as far as Eteringbang was operational for 168 (one hundred and sixty eight) days.
5. Enachu mining station, serving Kurupung, Eping, Meamu, Apaikwa and Kamarang was operational for 70 days.

6. Bartica mining station, serving Lower Mazaruni, Cuyuni and Essequibo Rivers was permanently manned during the year.

Verification of Locations

Verification of claims done for 1995 are as follows:-

<u>Mining District</u>	<u>No. Of claims verified</u>
Berbice -No.1	Nil
Potaro-2	48
Mazaruni- No.3	279
Cuyuni - No. 4	32
North West - No.5	6
Rupununi - No.6	Nil
Total	356

Disputes and Court Matters

During the year, Mines Officers were involved in settling disputes between claim holders within the mining district. Where such matters could not be immediately settled or settled through the intervention of the GGMC, then the matter was taken to court, whether by the claim holder or through GGMC.

Court matters were attended throughout the year by officers of the Inspectorate Section.

Others

A number of ad hoc trips were carried out during the year.

1. Snr. Mines Officer, G. Best visited Puruni during January 15-18 to evict illegal miners from Mr. Kevin Jeffrey and Michael Vieira's Medium Scale Prospecting Permit.
2. Manager Mines, Mr. S. Edwards, SMO, M.Persaud and Mines Officer Hopkinson visited Mahdia during January 21-25 to enforce court order - that is, interim injunction granted to J. Starzman of Merry Tide Ranch versus miners in the area.
3. Commissioner, GGMC, B. Sucre, S. Edwards, Manager Mines (ag) and other staff accompanied the Prime Minister, Mr. Sam Hinds and members of the Guyana Gold and Diamond Miners' Association (GGDMA) and police officers on February 24-27 to visit the Red Hole and St. Elizabeth areas at Mahdia.
4. A visit by aeroplane over the Bartica area in respect of suspected water pollution.
5. A visit was made to Frenchman Creek to evict illegal miners from GEDICO's Prospecting Licence (PL) area.

6. A visit was made to Berbice area to evict illegal miners from claims owned by Arjune Chand.

3. **LEGAL DEPARTMENT**

The year 1995 proved to be a fairly hectic year for the Legal Department in that there was considerable litigation instituted on a variety of matters. Particularly, the department pursued the discharge of several ex-parte injunctions which were premised on claims of small scale holders asserting rights in areas granted to large scale holders. Also, there were several applications for prerogative orders.

Invariably, the answer of the Commission put the matters in perspective, but resolution was not very swift largely due to these matters being part of a long list of litigation craving the courts' attention.

The matters were as follows:-

STARZMANN v. GGMC

February, 1995

MOSES, BREHASPATA v. GGMC, ALPHONSO

(2 actions)

Matters consolidated.

R. ROBINSON v S. MOHAMED, J. CARNEIRO, GGMC

APPLICATION BY E. ADAMS, A. GREAVES v. GGMC

GREAVES, ADAMS v JAMES, EASTMANN ET AL

APPLICATION BY G. GIDDINGS FOR ORDER OF MANDAMUS

O. PETERS v GGMC, HGB VENTURES INC

APPLICATION BY S. MOHAMED

RAJESHWAR SINGH v. GGMC

NEAL RAFFERTY v TIMMERMAN, GGMC

FRANCIS BARAKAT ET AL v LE LUNG, GGMC

BENNY: CHU v. A. ALPHONSO

J. JERRICK ET AL v. GGMC

R. JERRICK v. GGMC

General

Apart from pursuing litigation in the High Court, the department was involved in its usual mandate of providing assistance and advice to all other departments of the Commission as requested and as necessary. This included assistance to the Canadian Government in furnishing affidavits crucial in an investigation.

Matters Before Hearing Officer

The Hearing Officer continued to perform her functions with no significant increase in the number of matters instituted.

Environment Management Agreement

The department participated in further discussions with the Guyana Gold and Diamond Miners' Association to deal with same. For the most part the provisions of said document was resolved, but there was the outstanding matter of the Environment Bond.

The provisions of the above were also formulated by the department in draft regulations but there has been no decision on which document will prevail.

Assumption of Duties of Secretary

The Legal Officer assumed duties as Secretary (ag) of the Commission

Commission of Inquiry - Omai spill

The department is involved to a great extent with the above occurrence of the Legal Officer as Secretary to the Commission of Inquiry. This exercise lasted for a duration of four (4) months.

Conclusion

The resources of the Legal Department were in 1995 severely taxed due to the department not being equipped with its own computer facilities. Having its work be subject to the availability of the facilities of other departments certainly compromised the efficiency of the department and the concept of confidentiality also.

It is hoped that in 1996 this problem can be addressed.

4.0 PETROLEUM UNIT

4.1 Introduction

1995 was a satisfactory year for the Petroleum Unit. The main activities engaged in were associated with the Work Programme but there was an urgent necessity to reorganize and adequately outfit the Unit. The following is a report on the accomplishments and shortcomings in the Unit's performance during the period January to December, 1995.

Activities

Staff Assignments

- ◆ During the first quarter of 1995, the Petroleum Engineer and Petroleum Technologist were assigned to contribute their skills to the Mineral Demonstration Pilot Plant. The project was placed on hold eventually.
- ◆ The Petroleum Technologist was assigned to assist Administration with problem areas such as Infrastructure Rehabilitation for the Mechanical Workshop. This was an ongoing assignment.

Work Programme and Budget

Coastal Recce

This project was incomplete at the end of 1995 with only about twenty percent (20%) of the programme accomplished. This was due mainly to late commencement related to delayed budget approval. Never-the-less all the Shell Wells from the 1960's drilled along the Berbice river were rediscovered. Reported seep locations were investigated but there were no petroliferous occurrences. The Mahaica River above and below St. Cuthberts was also recce'd and those field activities signaled the close for 1995.

Data Storage

The pressing and urgent data storage situation continued. Approval to purchase shipping containers for temporary storage was finally granted but containers were impossible to locate. The Petroleum Data is essentially inaccessible and deteriorating.

Contracts/Agreements

Petrel Petroleum Corporation

The Agreement, Georgetown Area between Petrel and the Government of Guyana was signed October 4, 1995 by Mr. John Elliott, President, Petrel and Mr. Samuel Hinds, Honourable Prime Minister, Guyana. The exclusive promotional agreement attracted media interest both local and abroad. This was a highlight for the Unit in 1995.

Century Guyana, Ltd

This company first demonstrated interest in August of 1995. In preparing the Government of Guyana for the ongoing developments in the negotiation, the Head, Petroleum Unit prepared several documents outlining existing policies and issues related to the Production Sharing Agreements (PSA). Among these were a comparative study of the four (4) expired PSAs and an Explanatory Memorandum for the Draft Petroleum Agreement being used for the negotiations.

Technical Co-operation GGMC/Staatsolie

Technical Co-operation between Suriname's Staatsolie and the Guyana Geology and Mines Commission (GGMC) moved a step further when a team comprising the Commissioner, Deputy Commissioner and Head, Petroleum Unit visited Staatsolie in March 1995, in accordance with the Agreed Minutes of November 1994 between the two (2) agencies were established. Agreed Minutes for the meeting were prepared and forwarded to Staatsolie.

The current minutes of March 1995 called for an exchange of staff in order to share technical developments. Financial arrangements have to be re-organised.

Remarks

1995 was an average year for the Unit. A period for assessment. The Unit operated well within its budgeted expenditures and even generated some income. The true test for this Unit is to attract investment. Monitoring activity in co-ordination with the Unit's own Work Programme will also be a good opportunity to test of the Unit's capabilities.

The goal of the Unit is to bring itself to the level of technical proficiency that is required to conduct an independent coastal onshore drilling campaign. This should be in accordance with the perspectives shared in the National Development Strategy.

5.0 ADMINISTRATIVE DIVISION

The Administrative Division in 1995 comprised:

- d) The Personnel & Industrial Relations Department.
- e) The Information & Publication Department
- f) The Services Department

5.1 **Personnel & Industrial Relations Department**

Staffing

Appointments

January	-	1 Confidential Secretary 1 to Head (Petroleum Unit) 1 Confidential Secretary 1 to Manager (Mines Division) 1 Cleaner 1 Security Guard 1 1 Drill Foreman
February	-	1 Typist Clerk 11 (Mines Division)
April	-	1 Female Office Assistant
May	-	1 Stores Porter
June	-	2 Accounts Clerk 11
July	-	1 Computer Clerk 11 (Geological Services Division) 1 Stores Porter
October	-	1 Security Guard
November	-	1 Geological Technician 1
December	-	1 Security Guard 1

Resignations

January - 1 Cartographer
 1 Information and Documentation Officer
 1 Administrative Assistant 1 (Mines Division)

February - 1 Security Guard 1

March - 1 Senior Geologist 1
 1 Book Binder 11

May - 1 Accounts Clerk 11

June - 1 Clerk 11 (Mines Division)
 1 Assistant Mines Officer

October - 1 Secretary to the Commissioner
 1 Surveyor

November - 1 Lapidary Supervisor

Dismissals

January - 1 Security Guard 1

April - 1 Stores Porter

December - 1 Chief Mechanic

Terminations

September - 1 Laboratory Assistant

October - 1 Security Guard

Promotions

<u>From</u>		<u>To</u>
1 Library Assistant 111	-	Senior Library Assistant
4 Mining Technicians	-	Mining Engineers
1 Library Assistant 1	-	Typist Clerk 11
1 Stores Porter	-	Stores Clerk 1
1 Accounts Clerk 111	-	Accounts Clerk 1V
1 Accounts Clerk 1	-	Accounts Clerk 11
1 Typist Clerk 11	-	Confidential Secretary 1
1 Accounts Clerk 1V	-	Assistant Accountant
1 Senior Field Assistant	-	Geological Technician
1 Confidential Secretary 1*	-	Computer Clerk 111
1 Stores Clerk 11	-	Storekeeper
1 Office Assistant	-	Book Binder 1

Confirmation of Appointment

2 Accounts Clerk 1

Transfers

1- Clerk 111 (Statistics) from the Mines Clerical Department to the Inspectorate Department to the position of Assistant Mines Officer .

1 - stores keeper to the Mines Inspectorate, to the position of Assistant Mines Officer.

*Transferred from Geological Services Division to the Mines Division.

*Transferred from the General Registry to the Bindery Section.

Wages and Salaries

Salaries were increased by sixteen percent (16%) with effect from 1st January, 1995. In addition, employees were awarded merit increments of ten percent (10%), five percent (5%) or two and one half percent (2½%) on salaries with effect from 1st January, 1995, based on an evaluation of their performances for the year 1st January, 1994 to 31st December, 1994. Work performance for periods of six (6) months and over, was assessed.

Training

<u>Month</u>	<u>Programme</u>	<u>Sponsor</u>	<u>Participants</u>
March	One-half day Seminar - Tax Proposals in 1994 Budget and Obligation of employees under The P.A.Y.E	The Consultative Association of Guyanese Industry in Collaboration with the Inland Revenue Department	Senior Accountant, Accountant and Assistant Accountant
April	One-day Seminar on Degrees Of Excellence	National Association of Secretaries	Confidential Secretaries to Commissioner, Deputy Commissioner and Manager (ag) Mines Division.
August	Three-day National Workshop On the I.L.O Convention on Chemicals and the Prevention Of Major Industrial Accidents	International Labour Organisation in collaboration with the Ministry of Labour, Human Services and Security	Senior Chemist
	Industrial Law	Consultative Association of Guyanese Industry	Assistant Manager (P.I.R)
August- Nov.	Ten weeks Course - Functioning As an Executive Secretary/ Administrative Assistant	Guyana Management Institute	Administrative Assistant 1 Division
Sep- Oct	Computer Courses - MS Dos, WP 5.1, D-base 111, Lotus 1 2 3	National Data Management	Manager (ag) Mines Division, Manager (Geological Services Division), Confidential Secretary To Manager - Mines Division, 1 Typist Clerk 111 (Mines Division) 1 Library Assistant, 1 Draughtsman 11, 2 Geological Technicians.

Sep '96 - Foundation Certification	Office of the President	1 Accounts Clerk 111
July '97 in Accounting	Public Service Management	1 Accounts Clerk 11
Basic Certificate in Accountancy	-do-	1 Account Clerk 1 1 Account Clerk 11

Several employees have successfully completed training programmes at the tertiary level, as follows.

Bsc and Msc in Mining Engineering - Russian People's Friendship University	-	1 employee
Bsc Minin Engineering - University of Guyana	-	3 employees
B Soc. Sci (Economics) - University of Guyana	-	1 employee
B Soc. Sci (Accountancy)- University of Guyana	-	1 employee
Diploma in Geology - University of Guyana	-	1 employee
Diploma in Mining Engineering - University of Guyana	-	1 employee
Foundation Certificate in Accountancy - Government Technical Institute	-	2 employees
Basic Certificate in Accountancy - Government Technical Institute	-	2 employees
Certificate in Industrial & Social Studies - Critchlow Labour College	-	2 employees

One student from the second batch of students sponsored by the Commission successfully completed the Diploma in Geology Programme. So far eight (8) persons have completed this programme and are employed as Geological Technicians. Seven (7) others are expected to graduate in 1996.

In addition, three (3) students are expected to graduate in 1996, with the Diploma in Mining Engineering.

Fifteen (15) students were awarded scholarships to pursue the Diploma in Geology Programme from the 1995/1996 academic year. The Commission, together with several mining companies, have funded the scholarship programme. Five (5) of them are being sponsored by the Commission.

Bursary Awards

The Annual Bursary Award Presentation Ceremony was held on 7th September, 1995. Three (3) children of employees were awarded bursaries in the sum of ten thousand dollars(\$10,000) each, annually. The bursaries cover a period of five (5) years.

Welfare

Employees were given their annual issues of glasses and towels, as well as monthly and quarterly supplies of toiletries.

Others

The Commission implemented a Medical Scheme for employees on 1st August, 1995, which is being administered by CLICO. There are two (2) plans under this scheme. The Group Health Plan to which employees contribute forty percent (40%) of the premium and the Commission sixty percent (60%). However the Commission meets the full cost of the Group Life Insurance Plan. The scheme is non-compulsory.

The Commission held a family fun day on 7th August, 1995, to celebrate its 16th Anniversary.

The Annual Xmas Party was held on 21st December, 1995, at the Park Hotel, Main Street, Georgetown.

Sections under the Personnel and Industrial Relations Department

The Canteen and Registry Sections performed routine duties during the year. The Security Section although it operated short of staff, performed creditably.

5.2 Information & Publication Department

Library Section

This section provided valuable service to the Commission, mining companies, individual miners and students.

During the year of the report, the library served one thousand four hundred and eight six (1486) clients and one thousand and forty nine (1049) books were loaned.

Seven hundred and thirty seven (737) maps, and one hundred and forty four (144) reports were sold, and grossed a total sum of four hundred and eighty seven thousand, eight hundred and thirty nine dollars (\$487,839.00). Fifty four (54) books were accessioned. One hundred and two (102) maps and nine (9) reports were issued free of cost. Seven (7) new text books were purchased.

Mineral Industry Survey

The production of the quarterly newsletter "**Mineral Industry Survey**" was severely hampered by the transfer of the computer to the Deputy Commissioner's office. Only one (1) issue (January to March 1995) was published. Recipients of the newsletter, have found its contents very informative and have expressed an urgency for the resumption of its production.

General

Although adequate space remained an hindrance to the physical appearance of the Library, the acquisition of maps cabinets, made access to maps easier, and the reading area, part of which was used for stocking maps, more habitable.

Printery & Bindery Section

The section produced all books and forms which were essential to the operation of the Commission, and also those for sale to the mining public.

A total of one hundred and ninety five thousand, seven hundred and thirty eight (195,738) prints were made by the section. This amount included sixty three thousand, six hundred and sixty eight (63,668) forms, and one hundred and thirty two thousand, two hundred and seventy (132,270) pages from which one thousand five hundred and seventy three (1,573) books were produced by the bindery section.

A total of seven hundred and ninety two (792) books were rebound, two hundred and sixty five (265) Internal Stores Requisitions from various Sections for printed matter were filled, and two hundred and twenty seven (227) stencils were prepared by the electric scanner.

The Photo Laboratory produced sixty (60) positives, seventy three (73) negatives and thirty two (32) plates.

5.3 Services Department

The Services Department comprised a Mechanical Workshop, a Carpentry and Maintenance Workshop, and an Electrical Workshop, and was responsible for general support services for the work programmes of the other Departments.

The Mechanical Workshop & Transport

This workshop was responsible for the maintenance of approximately fifty percent (50%) of the Commission's fleet of vehicles. The motor cars which were purchased from Associated Industries Limited were maintained by the Transportation Services Limited Workshop, which is an arm of AINLIM.

One (1) new vehicle was purchased for the Deputy Commissioner. However, because several of the vehicles were old, there were regular breakdowns and the Mechanical Workshop was kept busy, in an effort to kept them in working condition.

Four (4) vehicles which had become too expensive to maintain because of age, as well as two (2) motor cycles, were disposed of by way of sale to employees.

The Carpentry & Maintenance Workshop

This Section was responsible for maintenance of the buildings, furniture and fixtures and maintenance of the compound. Some furniture were also built by the Section.

The Carpentry and Maintenance Workshop was also responsible for maintenance of the water system in the compound and maintenance of the standby generator.

The Electrical Workshop

This Section was responsible for maintenance of the electrical system, the transmitting sets and the stand-by generator.

The regular occurrences of blackouts was costly to the Commission, in that on numerous occasions lights were damaged, and ballasts, more often than not, had to be replaced.

6.0 THE FINANCE DEPARTMENT

The Commission's income for 1995 totalled \$928M which when compared with the budgeted figure of \$1.254 billion gave an unfavourable variance of \$326M.

Omai Gold Mines Limited did not realise its target at the end of the year due to the unforeseen disaster at the work site in September. However, Central Government received royalty from the Commission on behalf of Omai in the amount of \$473M which represented 51% of the total income realised for the year.

(\$0,000's)

Income	Actual	Budgeted	Variance
	\$	\$	\$
Fines & Fees etc	17,073	23,830	(6,757)
Permits	5,644	7,402	(1,758)
Royalties	707,419	952,532	(245,113)
Rentals	131,190	216,301	(85,111)
Internal Sales	3,104	3,053	51
Drilling	3,194	25,648	(22,454)
Financial/Admin	45,665	22,780	22,885
Income			
Petroleum	1,660	2,100	(440)
Others	12,663	0	12,663
Total	927,612	1,253,646	(326,034)

The Commission's income averaged \$77M per month during the period January-December, 1995

Expenditure	Actual	Budgeted	Variance
Employment Cost	122,460	162,476	40,016
Transportation/Travel & Maintenance	11,110	13,633	2,523
Materials & Supplies	8,569	26,450	17,881
Rentals and Professional Services			
Information, Publication and Legal Expenses	5,494	41,760	36,266
Utility, Insurance and Finance Charges	2,129	2,951	822
Field Expenses	3,664	16,207	12,543
Welfare and Sundries	12,790	86,113	73,323
Assistance to Miners/Central Government	5,455	11,094	5,639
Others	155,000	1,140	(153,860)
	732	528	(204)
Sub Total	327,403	362,352	34,949
Commission of Enquiry	21,183	0	(21,183)
Omai Royalty	473,144	648,000	174,856
Total	821,730	1,010,352	188,622
Surplus	105,882	243,294	137,412

The Commission's operational expenditure totalled \$172M after deducting \$628,144 as contributions to Central Government. This represented Omai royalties retained by the Government and which is not expected to be repaid to the Commission.

Contribution to Central Government

The following amounts were paid to Central Government for 1996.

P.A.Y.E \$ 103,079,691
N.I.S \$ 6,408,872

The Commission's Board of Directors approved of the sum of \$150M to be paid to the Consolidated Fund and a grant of \$5M to the Environmental Trust Fund. These remittances were made in August and December, 1995.

The Commission was also mandated to meet the financial obligations of the setting up of the Commission of Enquiry in September as a result of the Omai disaster and was assured that the expenditures will be reimbursed. Total expenditure to the end of December was \$21M.

A comparison of the operational budget of \$172M as against spending gave a favourable variance of \$190M.

Surplus

The Commission recorded a surplus of \$106M as against budgeted of \$243M.

Creditors

The Commission's Accounts showed total creditors at December, 31, 1995 as \$4.147M of which Refundable Deposits amounted to \$3,985M.

Debtor

The Debtor balances recorded in the Commission's ledger at December 31, 1995 was \$6.305 and aged as follows:-

Under 3 mths	3-3 mths under 6 mths	6-9 mths under 9 mths	9-12 mths under 12 mths	Over 12 mths	Total
\$	\$	\$	\$	\$	\$
4,133,787	70,706	2,078,441	619	21,556	6,305,109

Cash Position

The Commission's Cash balance at the end of December totalled \$175M on its 7 Day Account at the GBTI Bank.

Investments

During the year, the Commission's short term and Business Weekly Investment accounts were retired at the N.B.I.C and G.N.C.B banks and the proceeds of \$5.212M were deposited to the 7 Day Call Account which earns interest at 13.25% annually.

Treasury Bills at face value of \$260M was invested and held until the maturity date of January, 26, 1996.

Accrued Interest

Interest earned on 7 -Day Call Account for the year was \$43.5M.

Stores and Purchasing Sections

The staff of these sections performed admirably and satisfied the numerous requests made by the Commission.

The Stores services six (6) Mining Stations, three (3) Projects and nine (9) Inspection Tours .

It is proposed to complete rehabilitation of the Stores by mid next year to meet all the requirements of a proper Stores system.

Staff

There were twenty-five (25) serving staff members at the end of December, 1996. The accommodation for staff is inadequate and it is envisaged that in the new year, with the construction of a new wing to accommodate other technical staff, the upper flat which houses the Accounts Department will be solely allocated to this Division.

The following staff vacancies existed at the end of the year.

Senior Accountants.....	2
Assistant Accountant.....	1
Expeditior.....	1
Clerk 11 (Stores).....	2
Stores Porter.....	1

Final Accounts

The State Auditors have completed the audit of the Commissions Final Accounts for the years 1984- 1992. Preparatory work has been initiated on the 1993 accounts to be completed by the end of March, 1996.

General

Computerization of the payroll is running satisfactorily for implementation in the new year. The Division also expects to computerize its other accounting activities which will facilitate more expeditious processing and timely submission of reports. To this end, it would be necessary to conduct training sessions both external and in-house so that employees will be more conversant with the accounting functions in a computerized environment.

The 1995 Financial Statement

**GUYANA GEOLOGY AND MINES COMMISSION
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 1995**

<u>1994</u> <u>G\$</u>	<u>INCOME</u>	<u>NOTES</u>	<u>1995</u> <u>G\$</u>	<u>G\$</u>
940,345,069	ROYALTIES	2	743,837,722	
135,337,438	LICENCES	3	149,315,093	
18,686,025	FEES, FINES ETC	4	16,045,505	
410,047	CONCESSIONS	5	683,496	
48,603,180	OTHERS	6	<u>77,243,659</u>	
1,143,381,759				987,125,475
	<u>EXPENDITURE:</u>			
118,280,316	EMPLOYMENT COSTS	7	140,762,838	
68,699,435	ADMINISTRATION	8	60,354,410	
	TRAVELLING AND			
11,964,404	TRANSPORT	9	11,575,669	
11,205,448	DEPRECIATION		<u>17,324,921</u>	
210,149,603				
				<u>230,017,838</u>
933,232,156	SURPLUS/(DEFICIT):			<u>757,107,637</u>
	APPROPRIATION TO			
830,689,681	CONSOLIDATED FUND	10		<u>664,300,143</u>
<u>102,542,475</u>	RETAINED SURPLUS/(DEFICIT)			<u>92,807,494</u>

STATEMENT OF ACCUMULATED SURPLUS (DEFICIT)

269,424,869	BAL. AT BEGINNING OF YEAR	371,967,344
102,542,475	RETAINED SURPLUS/(DEFICIT) FOR THE YEAR:	<u>(92807494)</u>
<u>371,967,344</u>	BAL. AT END OF YEAR	<u>464,774,838</u>

GUYANA GEOLOGY AND MINES COMMISSION

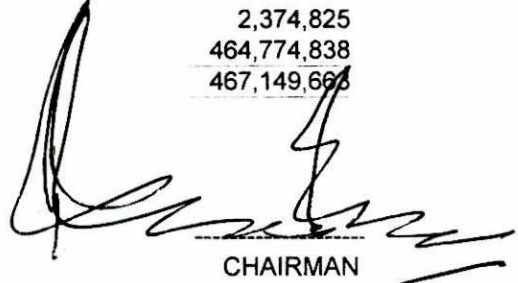
BALANCE SHEET AS

AS AT 31 DECEMBER 1995

1994 (RESTATED) G\$	NOTES	G\$	1995 G\$
56,394,555	<u>FIXED ASSETS</u>		88,390,749
	<u>CURRENT ASSETS:</u>		
3,840,925	INVENTORIES	24,770,972	
81,154,105	SUNDRY DEBTORS	39,030,081	
	CASH ON HAND		
120,544,559	AND IN BANK	132,670,353	
	SHORT TERM		
188,013,967	INVESTMENT	249,708,600	
8,505	LORING LAB. INVESTMENT	8,505	
16,342,045	SUSPENSE ACCOUNT	16,060,190	
<u>409,904,106</u>		<u>462,248,701</u>	
	<u>CURRENT LIABILITIES:</u>		
	SUNDRY		
4,799,496	CREDITORS	3,377,050	
	DEFERRED		
78,485,747	INCOME	74,418,750	
8,671,249	ACCRUED EXPENSES	5,693,987	
91,956,492		<u>83,489,787</u>	
<u>317,947,614</u>	NET CURRENT ASSETS:		378,758,914
<u>374,342,169</u>			<u>467,149,663</u>
	<u>FINANCED BY:</u>		
	GOVT. OF GUYANA		
2,374,825	CAPITAL		2,374,825
371,967,344	ACCUMULATED S/PLUS		464,774,838
<u>374,342,169</u>			<u>467,149,663</u>



 COMMISSIONER



 CHAIRMAN

GUYANA GEOLOGY AND MINES COMMISSION

NOTES ON THE ACCOUNTS

1. ACCOUNTING POLICIES

(a) ACCOUNTING CONVENTION

The accounts have been prepared under the historical cost convention as modified for the valuation of certain fixed assets.

(b) DEPRECIATION

No depreciation is provided on freehold land.

Depreciation on other fixed assets is charged on the straight line method calculated at the rates specified below which are estimated to write off the assets over the terms of their useful lives as follows:-

Buildings	-	2%
Scientific, field and mining equipment	-	10% - 20%
Motor vehicles	-	25%
Office furniture, fixtures and fittings.	-	5% - 10%

(c) INVENTORIES

These are valued at the lower of cost and net realisable value. Cost is arrived at using the first-in-first-out method.

2 - ROYALTIES - \$743,837,72219951994**ROYALTIES:**

BAUXITE	67,894	111,326
GOLD - GGB	218,322,662	253,602,395
OMAI	509,300,143	674,970,681
PRECIOUS STONES	9,397,403	5,328,640
SAND	4,297,026	5,635,175
STONES	2,452,594	693,939
OTHERS	0	2,913
	<u>743,837,722</u>	<u>940,345,069</u>

3 - LICENCES - \$149,315,093

GOLD & PRECIOUS STONES	2,334,100	2,320,900
PROSPECTING LIC. (SM)	164,476	207,029
PROSPECTING LIC. (MED.)	50,510,549	49,207,063
PROSPECTING LIC. (LG)	78,448,881	62,078,348
GOLD CLAIM LICENCES	1,559,320	1,322,840
PRECIOUS STONE LICENCES	339,200	477,735
RIVER LOCATIONS LICENCES	2,416,600	2,879,200
QUARRY LICENCE LICENCES	1,121,487	1,259,604
MINING LEASE	27,287	271,735
TRADING LICENCES	2,262,500	2,340,000
GOLDSMITH LICENCES	224,500	192,000
DREDGE LICENCES	3,174,600	3,047,200
MINING LICENCES	6,070,640	9,095,892
MINING PRIVILEGES	657,853	637,884
DUPLICATE LICENCES	3,100	8
	<u>149,315,093</u>	<u>135,337,438</u>

4 - FEES FINES ETC - \$16,045,50519951994

FEES	4,171,415	1,780,632
FORFEITURES	0	0
TRIBUTES	11,308,490	16,344,193
APP. FOR DREDGES	137,400	252,700
REGISTRATION FEES	35,500	36,100
TRAN. OF DREDGES	47,900	38,100
DUTY ON TRANSFERS	344,800	234,300
	<u>16,045,505</u>	<u>18,686,025</u>

5 - CONCESSIONS - \$683,496

MINING CONCESSIONS	0	0
CON. DREDGING	0	5,000
MINING PERMIT	683,496	405,047
EXCL. PERMISSION	0	0
	<u>683,496</u>	<u>410,047</u>

6 - OTHERS - \$77,243,659

	<u>1995</u>	<u>1994</u>
MINING EQUIPMENT	712,100	2,886,400
PROFESSIONAL SERVICES	206,947	0
REGISTRATION CERTIFICATE	74,000	28,800
INTEREST ON INVESTMENT	54,193,508	36,295,176
SALE OF OFFICIAL PUBLICATION - CARTO	1,081,279	847,020
SALE OF OFFICIAL PUBLICATION-LIBRARY	477,555	631,159
DRILLING CORE	2,747,403	3,609,465
SALE OF LAPIDARY PRODUCT	433,342	382,540
DISPOSAL OF ASSETS	102,000	0
DRILLING	546,190	1,556,587
CANTEEN SALES	1,115,364	1,026,668
SURCHARGE	1,797,139	0
VERIFICATION OF CLAIMS	648,550	1,102,950
GAIN ON FOREIGN EXCHANGE	81,067	9,000
MISCELLANEOUS	13,027,215	227,415
	<u>77,243,659</u>	<u>48,603,180</u>

7 - EMPLOYMENT COSTS - \$140,762,838

	<u>1995</u>	<u>1994</u>
SALARIES	91,785,056	74,771,150
WAGES	1,491,676	2,934,309
SALARIES OVERTIME	6,368,684	6,092,894
COMMUTED OVERTIME	0	104,564
WAGES OVERTIME	1,665,228	3,061,687
STATION/BUSH ALLOWANCE	855,402	1,017,749
HOUSE ALLOWANCE	0	(3,924)
DUTY ALLOWANCE	275,506	47,146
SUBSISTENCE & TRAVELLING	4,375,783	3,800,379
RISK ALLOWANCE	34,470	35,118
CASH IN LIEU OF LEAVE	442,231	3,388,511
TRAVELLING ALLOWANCE	0	337,057
ENTERTAINMENT ALLOWANCE	2,007,032	327,809
PENSION SCHEME (EMPLOYERS CONTRIBUTION)	9,426,953	5,793,000
N.I.S. EMPLOYERS CONTRIBUTION	4,165,606	3,024,420
DIRECTORS EMOLUMENT	0	651,607
LEAVE PASSAGE	7,195,508	5,522,383
RESPONSIBILITY ALLOWANCE	0	331,979
ACTING ALLOWANCE	2,132,736	974,574
UNIFORM & SAFETY GEARS	2,634,942	1,848,855
TRAINING AND EDUCATION	5,528,485	2,980,548
MEDICAL SCHEME	377,540	5,950
UTILITY ALLOWANCE	0	546,903
GRATUITY AND SEVERANCE PAY	0	685,648
	<u>140,762,838</u>	<u>118,280,316</u>

8 - ADMIN EXPENSES - \$60,354,410

	<u>1995</u>	<u>1994</u>
LOOSE TOOLS & SUNDRY EQUIPMENT	54,739	118,150
LUNCH & SNACKS	1,820,699	1,471,442
FUEL LUBRICANTS - VEHICLES ETC.	5,561,224	4,869,125
MAINTENANCE OF RADIO & COMM. EQUIP.	314,122	194,000
MAINTENANCE OF ELECTRICAL EQUIP.	277,958	396,382
MAINTENANCE OF VEHICLES	6,537,808	5,992,971
MAINTENANCE OF CRAFT, EQUIPMENT	438,186	7,476,373
HIRE OF EQUIPMENT	126,700	105,097
TELEPHONE, TELEX, CABLES	3,309,210	214,572
ELECTRICITY	0	2,769,110
RENTAL OF OFFICE EQUIPMENT	144,000	0
MAINTENANCE OF OFFICE EQUIPMENT	671,391	541,216
PRINTING & DUPLICATING	602,617	2,295,816
MATERIALS & SUPPLIES - DRAWING OFFICE	2,157,225	1,440,240
PROFESSIONAL&CONSULTANCY SERVICES	5,797,754	2,501,681
AUDIT FEES	100,000	100,000
OFFICE STATIONERY	5,145,407	1,805,415
OFFICIAL PUBLICATION & NOTICES	1,747,656	2,115,366
POSTAGE	273,886	75,825
MAINTENANCE & REPAIRS TO BUILDINGS	1,824,348	1,850,049
MAINTENANCE OF GROUNDS	1,041,250	38,300
JANITORIAL & CLEANING	311,336	458,888
SECURITY SERVICE	419,287	114,135
LEASES	514,000	414,694
OIL & GREASE	0	888,446
BURSARIES	0	110,000
NATIONAL EVENTS	0	9,358
COMPENSATION TO MINERS	0	4,000
DRUGS & MEDICAL SUPPLIES	257,207	548,136
ASSAY LABORATORY SUPPLIES	33,240	210,957
ELECTRICAL LABORATORY SUPPLIES	488,372	420,991
PETROLOGICAL LABORATORY SUPPLIES	333,205	6,126,088
LAPIDARY LABORATORY SUPPLIES	3,970	1,528
INSURANCE OF ASSETS	742,006	127,647
BANK CHARGES	274,256	75,409
RATION	3,585,634	7,510,208
MISCELLANEOUS - OTHER EXPENSES	1,111,606	3,062,360
ADVERTISEMENT	532,975	712,330
DONATIONS - GIFTS, WREATHS, ETC.	1,701,831	1,082,692
BAL. C/FW:	<u>48,255,105</u>	<u>58,248,997</u>

8 - ADMIN EXPENSES

	<u>1995</u>	<u>1994</u>
	\$	\$
BAL. B/FW:	48,255,105	58,248,997
LABORATORY CHEMICAL	2,230	0
FOOD PREPARATION	1,568,108	0
MAINTENANCE - GENERATOR/BUSH CUTTER	123,193	0
MAINTENANCE - PRINTING MACHINE	15,782	0
MISCELLANEOUS	630,730	1,299,098
EXHIBITIONS & SALES	30,269	0
ENTERTAINMENT EXPENSE	1,011,815	754,388
STORAGE	92,429	0
CUSTOMS & EXCISE	0	65,230
DISPOSAL OF ASSETS	0	0
LEGAL EXPENSES	121,818	500
STOCK LOSSES & OBSOLENCE	0	0
FIRE ARMS	55,000	0
TRANSPORTATION & TOLL FEES	0	699,010
WELFARE & SUNDRIES	1,265,704	938,372
REVENUE STAMPS	0	143,287
DEVELOPMENT SUPPORT & COMMUNICATION	0	0
MATERIAL & SUPPLIES - COMPUTER	0	897,323
MAINTENANCE OF COMPUTER	0	170,700
PROMOTIONAL SEMINAR	0	128,743
RESEARCH & DEVELOPMENT	0	354,340
LOSS ON FOREIGN EXCHANGE	1,121,209	0
HIRE CHARGES	0	20,550
HONORARIUM	55,000	0
STAFF PARTY	0	518,670
ANNIVERSARY CELEBRATION	1,440,493	272,041
WITHOLDING TAX	4,300,377	3,682,800
PEST CONTROL	138,265	130,121
WELDING MATRIEAL & SUPPLIES	126,883	286,587
COOKING GAS	0	88,577
INTEREST PAID	0	101
	<u>60,354,410</u>	<u>68,699,435</u>

9 - TRANSPORT AND TRAVELLING - \$11,575,669

	<u>1995</u>	<u>1994</u>
OVERSEAS CONFERENCE & VISITS	1,514,478	818,849
ROAD AIR AND OTHER TRANSPORTATION	10,061,191	11,145,555
	<u>11,575,669</u>	<u>11,964,404</u>

10 - APPROPRIATIO TO CONSOLIDATED FUND - \$664,300,143

Included in this amount is Omai Royalties which is paid into the Omai Gold Mines Account No.964 at the Bank of Guyana, All payments are then transferred to the Consolidated Fund. The following is a breakdown of appropriation in this regard.

	<u>1995</u>	<u>1994</u>
	\$	\$
Omai Royalties	509,300,143	674,970,681
Consolidated Fund	<u>155,000,000</u>	<u>155,719,000</u>
	<u>664,300,143</u>	<u>830,689,681</u>

11 - FIXED ASSETS \$88,390,749

	LAND & BLDGS.	MOTOR VEHICLES	OFF. FUR. FIX. AND FITTINGS	SCIENTIFIC FIELD AND MINING E/MENT	TOTAL
COST/VALUATION	G\$	G\$	G\$	G\$	G\$
At 1 January, 1995	4,467,589	42,212,761	11,499,954	29,279,110	87,459,414
Additions in 1995	732,402	6,132,513	7,570,463	34,885,737	49,321,115
Disposals	0	(65,000)	0	0	(65,000)
Cost at 31 December, 1995	<u>5,199,991</u>	<u>48,280,274</u>	<u>19,070,417</u>	<u>64,164,847</u>	<u>136,715,529</u>
DEPRECIATION:					
At 1 January, 1995	697,646	21,263,282	2,589,177	6,514,754	31,064,859
Charged for the year	101,032	9,665,980	1,543,319	6,014,590	17,324,921
Depreciation on Disposals	0	(65,000)	0	0	(65,000)
Accumulated Depreciation at 31 December, 1995	<u>798,678</u>	<u>30,864,262</u>	<u>4,132,496</u>	<u>12,529,344</u>	<u>48,324,780</u>
NET BOOK VALUES:					
At 31 December, 1995	<u>4,401,313</u>	<u>17,416,012</u>	<u>14,937,921</u>	<u>51,635,503</u>	<u>88,390,749</u>
At 31 December, 1994	<u>3,769,943</u>	<u>20,949,479</u>	<u>8,910,777</u>	<u>22,764,356</u>	<u>56,394,555</u>

12 - INVENTORIES - \$24,770,972

	<u>1995</u>	<u>1994</u>
STOCK OF DRILLS	0	0
STOCK OF GOLD	1,018	1,018
STOCK OF DIAMONDS	0	0
STORES CONTROL ACCOUNT	24,769,954	3,839,907
	<u>24,770,972</u>	<u>3,840,925</u>

13 - SUNDRY DEBTORS - \$39,030,081

OMAI RECEIVABLE	19,869,045	0
SUNDRY DEBTORS CONTROL	12,573,975	20,110,965
DEPOSITS LODGED	2,880	2,880
ACCOUNTS RECEIVABLE	4,843,049	30,807,875
PREPAYMENTS	223,724	21,436
OTHER DEBTORS	0	29,314,879
SHORT TERM LOAN	818,515	818,515
STAFF LOAN	140,759	77,555
CALL/CURRENT TRANSFER	558,134	0
BWIA A/C	0	0
	<u>39,030,081</u>	<u>81,154,105</u>

14 - CASH ON HAND AND IN BANK - \$132,670,353BANK BALANCES:

GNCB	14,070,811	23,657,819
G.B.T.I. 7 DAY CALL ACCOUNT	182,628,558	141,531,118
G.B.T.I. CURRENT ACCOUNT	(64,151,116)	(44,696,047)
SUB TOTAL:	<u>132,548,253</u>	<u>120,492,890</u>

CASH BALANCES:

PETTY CASH IMPREST	107,207	45,010
STAMP IMPREST	(2,224)	(4,189)
STAMP IMPREST (CASHIER)	18,270	12,027
ICE IMPREST	(1,253)	(1,279)
CANTEEN IMPREST	100	100
SUB TOTAL:	<u>122,100</u>	<u>51,669</u>
TOTAL:	<u>132,670,353</u>	<u>120,544,559</u>

15 - SHORT TERM INVESTMENT - \$249,708,600

	<u>1995</u>	<u>1994</u>
	\$	\$
OPENING BALANCE	188,013,967	171,441,281
NEW INVESTMENTS		
TREASURY BILLS	488,458,600	0
FIXED DEPOSITS	1,651,003	185,819,000
RETIREMENT OF FIXED DEPOSIT	(3,845,970)	(186,140,010)
INTEREST CAPITALISED	(424,569,000)	16,893,696
	<u>249,708,600</u>	<u>188,013,967</u>

16 - SUNDRY CREDITORS - \$3,377,050

	<u>1995</u>
SUNDRY CREDITORS CONTROL	970,068
PROVISION FOR AUDITING	562,997
REFUNDABLE DEPOSIT	1,843,985
	<u>3,377,050</u>

17 - ACCRUED EXPENSES - \$5,693,987

ACCRUED SALARIES	(79,618)	56,223
ACCRUED WAGES	(100,318)	2,683
OTHER ACCRUED EXPENSES	3,799,948	(266,791)
PAYE	1,141,820	4,941,669
N.D.S.	(7,987)	(7,987)
SALARIES PAYABLE	1,150,470	1,454,402
N.I.S PAYABLE	344,378	899,934
WAGES PAYABLE	78,484	78,484
LIFE INSURANCE	(169,184)	33,955
DEPENDANTS FUND PAYABLE	156,379	141,926
DEPENDANTS FUND MORTGAGE	(717,030)	(701,229)
PENSION FUND PAYABLE	804,251	570,511
UNION DUES	(1,580,891)	35,660
P.S.U. CREDIT UNION	261,329	299,317
RENT DUE AND PAYABLE	1,678	1,704
MORTGAGE FINANCE PAYABLE	(95,845)	4,965
LEAVE PASSAGE PAYABLE	259,135	384,485
FIELD ALLOWANCE PAYABLE	180	180
RESPONSIBILITY ALLOWANCE	(10,205)	(8,774)
GNCB TRUST MORTGAGE	35,171	(35,643)
RISK ALLOWANCE	948	948
SUB. & TRAVELLING	25,695	(9,280)
SPORTS CLUB	12,402	11,858
WITHOLDING TAX	378,037	467,170
HOUSE ALLOWANCE PAYABLE	(1,798)	(1,798)
PERSONAL ALLOWANCE PAYABLE	274,196	274,196
D.I.A. PAYABLE	(8,825)	(8,825)
H.I.A. PAYABLE	800	800
ACTING ALLOWANCE	(32,488)	(21,463)
INTEREST PAYABLE	15,600	15,600
ACCRUED LEAVE PASSAGE	(1,141)	(1,141)
MISCELLANEOUS	57,410	57,510
GROUP HEALTH INSURANCE PAYABLE	(298,994)	0
	<u>5,693,987</u>	<u>8,671,249</u>

18 - GOVT. OF GUYANA CAPITAL - \$2,374,825

This is comprised as follows:-

	<u>1985</u>
Assets less liabilities at 1/8/79	2,139,306
Other expenditure	235,519
	<u>2,374,825</u>

The Commission came into existence on 1/8/79 by an order enacted through the Geology and Mines Commission Act 1979.

According to Section 35(1) and (2) of the Act, for the assets and liabilities vested at 1/8/79 the Commission shall issue to the Government debentures or debenture stock of such nominal value and bearing such interest rates and repayment dates as may be agreed upon between the Minister responsible for finance and the Commission.

The debenture stock has not been issued to the Government and the repayment terms and interest rates have not yet been agreed.

19 - ACCUMULATED SURPLUS:

The Guyana Geology and Mines Commission Act 1979 Section 20 (1) provides that the Commission shall maintain a reserve fund and shall, out of the net surplus of each year, transfer to that fund a sum equal to not less than such sum as may be fixed by the Minister.

**20 - RECONCILIATION OF OPERATING PROFIT TO
NET CASH INFLOW FROM OPERATING ACTIVITIES:**

	G\$
OPERATING PROFIT	247,807,494
INTEREST ON INVESTMENT	(54,193,508)
WITHHOLDING TAX	4,300,377
DEPRECIATION	17,324,921
INCREASE IN STOCKS	(20,930,047)
DECREASE IN DEBTORS	42,124,024
DECREASE IN CREDITOR	(1,422,446)
DECREASE IN DEFERRED INCOME	(4,066,995)
DECREASE IN ACCURED EXPENSES	(2,977,262)
DECREASE IN SUSPENSE	281,855
	<u>186,124,389</u>

21 - ANALYSIS OF CHANGES IN CASH DURING THE YEAR:

BALANCE AT 95/12/31	132,670,353
BALANCE AT 95/01/01	<u>(120,544,559)</u>
INCREASE IN CASH EQUIVALENT	<u>12,125,794</u>

GUYANA GEOLOGY AND MINES COMMISSION
CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER, 1995

	1995	
	<u>G\$</u>	<u>G\$</u>
NET CASH INFLOW FROM OPERATING ACTIVITIES		228,248,413
 <u>RETURN ON INVESTMENT & SERVICING OF FINANCE</u>		
INTEREST RECEIVED ON INVESTMENT CONTRIBUTION	54,193,508	
CONTRIBUTION TO CENTRAL GOVERNMENT	<u>(155,000,000)</u>	
NET CASH INFLOW FROM RETURN ON INVESTMENT & SERVICING OF FINANCE TAXATION		(100,806,492)
WITHHOLDING TAX TAX PAID	4,300,377	(4,300,377)
 <u>INVESTING ACTIVITIES:</u>		
PAYMENT TO ACQUIRE TANGIBLE FIXED ASSET	(49,321,115)	
SHORT TERM INVESTMENT FINANCING	<u>(61,694,633)</u>	(111,015,748)
INCREASE IN CASH & CASH EQUIVALENT		<u>12,125,796</u>

