



# communiqué

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## CANADIAN JOINT-VENTURE GROUP WINS MANAGEMENT

### CONTRACT IN GHANA MINING SECTOR

The Minister for International Trade, the Honourable James Kelleher, announced today that a Canadian joint-venture group signed a US \$13.3 million management agreement with the State Gold Mining Corporation of Ghana to assume management control of three of the state-owned gold mining operations.

Under the terms of the agreement, the joint-venture group, comprised of Cominco Engineering Services Limited (a subsidiary of Cominco Limited), Mining Corporation of Canada Limited (a subsidiary of Noranda Inc.), and SNC Inc. (a member of The SNC Group), will manage the reorganization and rehabilitation of the underground mines at Tarkwa and Prestea and the alluvial dredging operations at Dunkwa, all in the Western Region of Ghana.

In addition to management control, the agreement calls for the provision of operational and managerial training which will enable the Ghanaians to resume management of the mines upon completion of the contract which is for a three to five year term.

Funding for the project is being provided partially by the World Bank through its affiliate, the International Development Association. The Canadian Government plans to provide a concessional loan through the Canadian International Development Agency (CIDA) for the balance.

The joint-venture group, known as the Canada-Ghana Mining Group (CGMG), commenced mobilization of its key team members in mid-October.

Canada has maintained close and supportive relations with Ghana since that country achieved independence in 1957. In fact, the Canadian development assistance programme in Ghana is the oldest in Africa. The winning of this management contract by a Group of Canadian firms is the first step in helping Ghana to rehabilitate their productive sector which is so vital to their overall economic recovery programme.