
American Global Gold Co invests \$9 mil in mining/ exploration in ROA.

ArmInfo

23/5/2007

Yerevan. General investments of Global Gold Corporation (GGC) in the mining and exploration sector in Armenia from 2004 to the end of 2006 totaled about \$9 million. In 2007, the company has already invested about \$1 million in the sector, GGC Regional Director Ashot Poghosyan says in an interview with ArmInfo.

"GGC comes out for creation of more favorable situation for ore recovery and research in Armenia to help the country attract new companies and develop manpower resources in the sphere," he said.

A. Poghosyan pointed out that about \$6 million were invested in the project of mining at Tukhmanuk gold deposit in Aragatsotn region. The funds were spent on purchase of equipment for modernization of the laboratory and on exploration of the reserves of gold and other metals at Tukhmanuk, Hankavan, Marjan and Getik deposits. For this purpose, last year the company holed 13,400 metres. A. Poghosyan added that last year about 40,000 tons of ore were recovered from Tukhmanuk deposit. However, the ore was not processed, as the plant needs modernization.

GGC Regional Director said that this year the company has concentrated efforts on further exploration works in Hankavan, Marjan and Getik, as well as modernization of the plant and new laboratory at Tukhmanuk deposit. He explained that the corporation will start processing the recovered ore after modernizing the concentrating plant in Tukhmanuk and establishing a flotation line at the plant. "At present, the plant operates on the principles of gravitation and needs modernization for more effective processing. After modernization of the plant, metal extraction is to be raised from the present 25% to 80%," he said.

A. Poghosyan said that in 2007 the company plans to invest over \$5 million in the mining sector in Armenia. Exploration works, including boring, will be continued. 4,500 metres are to be holed at Tukhmanuk deposit. To accelerate boring, two specialized companies will be attracted. A. Poghosyan believes that boring can be completed in 4 months at best if the weather is favorable. Ore reserves at Tukhmanuk deposit will be specified after additional geologic exploration. In 2007 the company started constructing a tailing dump in Tukhmanuk. "All these works are to be completed by autumn of 2007," he said. The results of last year's explorations are currently specified. Last year, almost all the laboratories in the country were engaged in orders of GGC. They received 10,000 samples, 500 of them are still processed. The processing of each sample costs the company 6,000 drams. Modernization of own laboratory will allow saving funds and have own analytical center for samples from other deposits of GGC.

He also added that in 2007 the company will continue exploring Hankavan molybdenum deposit and its peripheries. GGC has also acquired an up-to-date installation for cutting to accelerate exploration works. The company attaches great attention to improvement of exploration phases and ecology before starting industrial stages of mining and processing, Poghosyan said. The program on exploitation of Hankavan deposit for over \$50 million has already been submitted to the Armenian Government. Exploration of Getik ore field in Gegharkunik region and Marjan gold and

polymetallic deposit in Syunik region continues, he said. However, weather holds the company from exploring the deposits in Getik and Marjan so far. At the end of 2007 the company will complete the phases of preliminary exploration on these deposits, Ashot Poghosyan said.
