
Deno Gold Mining Company Makes Decision To Close Down Workshop

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Deno Gold Mining Company (former Kapan ore mining and processing enterprise), which is 95% owned by Dundee Precious Metals company (Canada), has launched structural reforms, while continuing the production modernization process. Structural reforms will be implemented in 2008 with the aim of bringing the mines of Kapan and the operation of Deno Gold Mining Company into line with highest international standards. During the program's implementation, the company intends to invest several dozen million dollars in Kapan and nearby regions. To recap, the company has already made investments of 30 million dollars.

The president and owner of Dundee Precious Metals Company Jonathan Goodman said during his visit to Armenia in November 2007 that the total amount of investments may reach 300 million dollars if the company establishes the potential of the mines licensed for exploration.

The examination of the workshop for production of explosives was the first step of the company's modernization and investment growth process. It was found that the conditions of the workshop are not in line with international standards and pose a danger to safety and life of employees.

"As a socially responsible company being aware of its obligation to ensure a healthy and safe working environment for employees, the company made a decision to close down the workshop and henceforth to use safer and more economically accessible production," director general of the Kapan mine Robert Faleta said.

NT was informed from the company's office that all 28 employees of the explosive production workshop were notified of this decision in envisaged order. The company guarantees that they will receive compensation and allowances stipulated by the RA labor legislation. The company officially announced that it will do everything possible to provide these employees with jobs at Deno Gold Mining. This problem is now being discussed with the workshop employees.

According to NT correspondent, 28 employees of the workshop staged a protest outside Kapan mayor's office on the evening of March 20. They said that without any warning and sending a notification beforehand, R. Faleta announced that from May 1 the workshop will not operate and the employees will be dismissed.
