

Ghana mining fund to invest \$60m in 2022 expansion drive

By [Christian Akorlie](#) and [Cooper Inveen](#)

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The fund responsible for managing Ghana's mining royalties plans to invest up to \$60m this year in companies both within and outside the gold-producing West African nation, its chief executive told Reuters.



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The Minerals Income Investment Fund (MIIF) bought about \$20m worth of shares last week in the Toronto- and Frankfurt-listed Asante Gold Corporation, which operates Ghana's Bibiani Gold Mine.

Ghana, which is Africa's top gold producer, now holds about 3.5% of Asante's total equity. It was MIIF's first major buy since a 2019 parliamentary vote entrusted it with managing and investing the entirety of the country's mining royalties.

Edward Koranteng, the fund's chief executive, told Reuters in an interview on Wednesday that the Asante purchase was only the first step in a wider push for positions in high-yielding mines in Ghana and abroad.

"We're looking to cover every class of mineral other than bauxite, which the government is working on in a different way," he said. "We want to go into an accelerated programme where we have assets of over \$500m by 2025."



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War chest of \$200m

MIIF has a war chest of \$200m with which it plans to expand its portfolio, Koranteng said.

By investing in firms with high growth potential and reviewing the strategies of collecting royalties from smaller firms, Koranteng said MIIF hoped to "widen (Ghana's) royalty net" and keep the fund growing.

This year, the fund has particular interest in industrial salt companies, which Koranteng says could become major suppliers to the region's numerous gas and oil wells.

Starting in July, MIIF also plans to invest in about 400 small-scale gold mining outfits, in hopes of growing them into profitable mid-sized firms.

"We believe in adding value to these sectors by formalising them," Koranteng said. "That way Ghana gains, and we make our money as well."

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