

IFC invests in Burkina Faso gold project

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WASHINGTON, Sept 8 (Reuters) - The World Bank's private-sector lender said on Tuesday it bought an equity stake in Australian miner Gryphon Minerals Ltd to help the company develop a gold deposit in Burkina Faso.

The International Finance Corp (IFC) said Gryphon will use the A\$2 million (\$1.72 million) funding to finance exploration and feasibility studies at the Banfora gold project in south-west Burkina Faso.

IFC said the West African nation has good mineral deposits but until recently most mining activity was carried out by artisanal miners.

New mining laws introduced in 2003 has led to a sharp increase in commercial mining exploration and production in Burkina Faso, making the country one of Africa's top five gold producers.

'We see this project as an opportunity to help set new environmental and social standards for Burkina Faso's emerging mining sector and look forward to a long-term relationship with Gryphon,' said William Bulmer, Global Head of IFC Mining Investments.

(Reporting by Lesley Wroughton; Editing by Chizu Nomiyama)