

This is what Miroslav Ignjatović, an advisor in the Energy and Mining Association of the Serbian Chamber of Commerce, says for Sputnik, who believes that we should not succumb to euphoria because of the [gold deposits](#) we have.

The President of Serbia, Aleksandar Vučić, said these days that a **gold deposit** has been discovered **in Serbia**, which is **among the 100 largest in the world**, without revealing any details about it.

### **How much will we profit from the new gold wire**

The questions that immediately arose about how much Serbia can profit from this, whether it can [exploit the deposit](#) itself, will, however, wait for answers, because basic information is missing.

As the deputy director of the Geological Institute of Serbia, Predrag Mijatović, recently told "Politics", **gold is explored in 30 locations in our country**, but there is no precise information on the size of its reserves. He added that it is estimated that there are 600 tons of gold reserves, but this should be taken with a grain of salt because the **last estimates of mineral resources were made twenty years ago**.

Recently, however, **two localities** have stood out where Canadian companies are exploring for gold. The daughter company of the Canadian company Medgold Resources in Serbia within the

Tlamino project **in the area of Bosilegrad** at the location of Barje found, as previously reported, close to 19.3 tons of gold, worth more than one billion dollars.

Another Canadian company, Dundee, is engaged in gold exploration in the area of the Homolje mountains, more precisely **in the southeastern part of the municipality of Žagubica**.

According to a preliminary study of the feasibility of opening and [exploiting the mine](#), almost 34 tons of that precious metal, with a gross value of 1.6 billion dollars, would be extracted from it. In both cases, we are talking about research that has been going on for years.

### **Exploitation is only authoritative**

That's why Ignjatović told Sputnik that we can get the true value of the gold in the discovered deposits only when its exploitation and processing begin.

"That gold gains value when it is taken out of the ground, that is, when it has a value that can be sold." As long as it is in the country it is worth nothing. Remember the discovered boron minerals in Piskanja near Baljevac on the Ibar. "Rio Tinto announced so much about the great wealth of that deposit, and in the end it turned out that there is nothing of it and that the value of those minerals is equal to zero simply because they have not been exploited", reminds our interlocutor.

He points out that it is **a long way from the beginning of the research work to the exploitation**. Investigative works must be completed accurately, reserves must be verified.

It is also necessary to obtain the exploitation right, which, he adds, is now easier than before, because the changes in the law of a few years ago gave priority to obtaining the exploitation right to companies that conduct research.

Ignjatović adds that mining projects must be elaborated after geological research. This again takes several years, so the environmental impact assessment.

### **Time consuming work**

When asked how long these geological investigations usually last, he points out that it depends on how lucky those houses are to, as he says, come across such a deposit.

“There is no deadline. It depends on the funds invested. They are usually smaller exploration companies that explore for gold, that is, mineral resources, and when they come across such a good deposit, it is usually sold to large companies. It was the same with the Čukaru **peki mine**. A smaller company did research, got good results, and then later there was a change of ownership. First, the Canadians bought the rights, and then the Chinese Zijin from the Canadians,” explains our interlocutor.

**Research at that location was initiated in 2013** by the American and world-famous company Freeport McMoran, and although it estimated that the initial drilling showed encouraging results with a high content of copper and gold, after three years it sold the research rights to the Canadian company Lunding Mining, and it then also to the Canadian company Nevsun. In the end, she left it to China’s Zijin , where **last year it opened the Čukaru peki mine**.

Thus, the Canadian company Dundee has been exploring for gold near Žagubica for ten years, and exploitation is not yet in sight, because after that it takes time to form a mine.

“To form a mine and the infrastructure that accompanies the mine, meaning power plants, as well as roads, is not at all simple. There are a lot of other activities that must be satisfied in order for the mine to be open, a lot of permits, from construction to those for environmental protection,” Ignjatović points out, adding that there are still good indications that the mine will be able to be opened in the future.

### **Are we staff?**

When asked **if we are capable of exploiting gold or** if it would have to be **entrusted to a global company**, from which we only had a small mineral rent, Ignjatović says that out of 100 geological explorations, only two or three succeed, so it is always a big risk. He says that he doesn’t know if we are so rich that we can get into something like that without making sure that it can really be exploited.

“In principle, our institutes as well as faculties can follow it as far as science is concerned. This is not a problem, because there is a lot of experience in the mining and geological sector, even other countries appreciate us a lot in this regard. It is up to the state to decide whether it wants to invest money that will take a long time to return,” our interlocutor points out.

He says that these **studies are quite expensive** and that he does not know if any of them, and there are more than 100 of them in Serbia, are carried out by domestic companies. It is possible, he adds, that our companies work in cooperation with foreign companies as subcontractors. This is so, as he points out, primarily due to the lack of funds, as well as the **high risk** of investing money, and then that investment does not pay off in the end.

Ignjatović reminds that after **many years, only one mine was opened** -Čukaru peki, **although there was a lot of research over the years** . That is why we should speak with caution about rich deposits, because even though they are, they have practically no value until they are exploited.

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