



US company Avala Resources operating in Serbia in area of gold research and exploration announced that it will need 177M USD for opening of first private managed gold mine in municipality of Zagubica. They plan to hire 250 workers. These are the results of preliminary economical evaluation analysis which is produced by independent mining expert company AMEC from Australia.

It is expected that 177M USD will be needed for production start in first private owned gold mine in Serbia. During its exploration period the mine will pay mining fee to state budget of around 38M USD.

The study projects starting surface mine pit with average exploration period of 8,4 years with annual production of 2,5t of gold in concentrate raw source and usage of standard flotation methods.

The gold mine project demands two years of investment into infrastructure after obtaining all necessary permits in construction and environment protection area.

The purpose of the study was to demonstrate to our stakeholders that the project is potentially feasible and financially with benefits and to raise the attention to the project areas which require additional work stated Sean Hennesi director of Avala Resources.

For us it is clear that we will have to invest additional efforts in exploration of gold from final concentrate raw gold material, added Hennesi.

Exploration manager from Avala Resources Justin van den Torn stated that the company since 2010 invested so far in investigation works in project Timok gold more than 160M USD.

Serbia currently has the best investment climate in the region for development of new mining projects so we are encouraging the efforts of Serbian government to continue the policy of openness and support to new investors.