

## Zijin eyes Nevsun gold project Timok in Serbia

**Categories :** [Mining](#)

**Date :** October 1, 2018

The Canadian company Nevsun, which is investigating the site of copper and gold, Cukar Peki near Bor, estimates that Serbia and Bor will have a direct benefit of \$ 450 million.

This amount refers to mineral annuities and taxes.

In that company, which operates in Serbia through Rakita Exploration, in agency Beta said that "the project of Cukar Peki is fully in line with the long-term plan and strategy of the Government of Serbia to increase the share of the mining sector in gross domestic product five percent".

Chinese company Zijin Mining, who recently bought the Mining and Smelting Basin Bor, has announced that it is negotiating to take Nevsun for \$ 1.41 billion, and experts consider that is a strategic move by the Chinese and could speed up the opening of copper and gold mines at the location of Cukar Peki.

On question how much would Nevsun invest in the exploration of the Cukar Peki site and whether those plans would change Zijin's offer, they said that company Rakita continues to work on the construction of an exploratory low pit (underground pit).

"If the ownership structure changes, the new owner will decide on a possible modification of the existing plans," Nevsun said.

Rakita, they emphasize, "continues the realization of the activities according to the plan and in accordance with the agreed dynamics of work".

It is estimated that reserves in the Upper Zone of the Cukar Peki site are about 46.15 million tons of ore, with a content of copper of 2.71 % and gold of 1.7 %," Nevsun said.

It is pointed out that the planned capital investment of Nevsun for the development of the project of Cukar Peki and the beginning of the exploitation in 2022 is amounts to approximately 590 million dollars, and that the life span of the mines will be around 17 years.

The estimated profit expected to be generated by the development of the Upper Zone of the Cukar Peki project amounts to \$ 1.3 billion.

On question under what conditions Nevsun was entitled to research from the state of Serbia and which, the financial obligations of that company were stated in 2016, took over the company Reservoir Minerals as a part of this acquisition get rights to research under the license for research at the locality of local communities Brestovac-Metovnica and other locations of the Cukara Peki site.

The exploration permit at the Brestovac-Metovnica location was originally approved in 2012, when Rakita was in partnership with Reservoir Minerals and Freeport McMoran.

According to Nevsun, the investment in the Cukar Paki site is one of the largest in the field of geological research in Serbia, which includes the direct employment of hundreds of Serbian geologists and other experts during the research period, as well as the employment of workers when the mine is opened.

The Nevsun permit for research at Bor has been given for a period of three years and can be extended in two years under condition that at least 75% of the planned geological explorations have been completed during the period of the license”.

Rakita has bought between 70 and 80 % of privately owned land, while the rest is to buy land owned by the state and the city of Bor.

Source: b92.net