

In Serbia, the richest gold deposits are located in the eastern part of the country, primarily in the vicinity of Bor, Majdanpek, Zajecar and Negotin, but also in the area of Raska and Medvedja.

Recently, a huge wealth was found in southern Serbia, with Canadians discovering 19 tons of gold in just one location. This gives hope that mining is a new “secret weapon” for Serbia. However, due to several factors, these gold wires from our country are worn by foreign companies.

About 25 companies are currently involved a gold rush, with more than € 60 million invested last year in ore exploration alone. These figures are much, much higher.

According to unofficial estimates, Serbia has almost \$ 300 billion in untapped mineral resources. Just by the amount of gold, we are somewhere 58th in the world.

However, apart from being expensive and time-consuming, field exploration does not mean that the ore extraction will begin, because before the mine is opened, it will take years to calculate and analyze whether starting a business is worthwhile. That’s one of the reasons why we don’t invest alone.

Thus, our regulations allow foreign companies to explore and exploit gold deposits.

And the question is does Serbia has any use from the gold it’s lying on?

It is our interest to achieve certain benefits through mining rent and through the employment of labor. The biggest benefit would be if the supporting industry relied on future mines. Because, the raw material itself, the concentrate does not have some strong value (not only gold, but other raw materials).

The value of the metal is only coming to light when its concentrate is finalized – Miroslav Ignjatovic, a mining engineer at the Energy and Mining Association, tells Telegraph Business.

As he points out, our government would have to provide some incentive funds so that concentrates are not exported. And no law prevents a foreign company from exporting, rather they are driven solely by economic interest.

Canada-based research firm Medgold Risorsis, which previously announced that it had found indicators in southern Serbia to find rich precious metal deposits in the area, has now confirmed those results when asked when concrete benefits could be expected:

- It is still on a long stick, detailed geological research must be done, so only then can we talk about some exploitation, which further means that it is unsafe. Just remember borne metals – the company that had the expropriation right simply withdrew and the business stopped, he says.

He adds that it is only when work begins that we can say that the opening of a mine is in

sight and that it benefits.

### **Access to the gold - what exactly does it mean and how much does it allow?**

According to some earlier estimates, from the exploitation of the mines, the state of Serbia would collect five percent of the net income of the tax for the use of mineral resources, as well as an additional 15 percent for taxes. The access right is in fact the tenders that the new Mining Law links to exploration and exploitation law. That is, the company that did the research has the advantage of selling the mine itself, that is, of further excavation (in general, of any work).

The old law, Ignjatovic reminds, did not guarantee that, and therefore there was little investment.

- The foreigners did not give the assurance that they would finish the whole job, from exploration to remuneration. Like I said, our benefit can be through rent and workers, but everything goes to the mining companies, of course - he says.
- It is well known that the money invested in mining is the slowest returning. Regardless of modern research methods, until they are rounded up, we do not know what benefits we have and what the values are - he explains.

He recalls that it is often said that a bearing is rich in various minerals, but sometimes it can have negative effects:

- To get the concentrate you have to separate them, and this technology is often expensive, or it is simply impossible to separate the minerals. It is good that they continue to apply all the positive things to Western companies here, ranging from environmental protection to occupational safety standards - says Ignjatovic.

In relation to the total area of the territory and the number of inhabitants, we are among the countries that are rich in mineral resources, but lack of finances and equipment to start production in new beds.

Compared to the countries in the immediate vicinity, that is, the former republics of the SFRY, it is certain that Serbia has significantly higher mineral resources and reserves of gold.

In terms of current world production, Serbia ranks 76th, far below Turkey, Finland, Sweden, Bulgaria and Spain, according to current gold production.

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