

# SLOVAK REPUBLIC

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For centuries, and especially at the time of the Austro-Hungarian Empire, Slovakia was an important source of iron, silver, gold, antimony and base metals. Today, however, it seems that ore mining in the Slovak republic will soon become history. As the country progresses along the path to becoming a fully-fledged market economy, the economic environment is becoming much more competitive, not least for the minerals industry. For the metal-mining sector, the liberalisation of the energy sector in particular (with the accompanying higher prices for natural gas and electricity) is taking its toll in terms of costs. In the industrial-minerals sector, there are important deposits that have yet to be developed but the necessary investment has not been forthcoming.

June 30, 2001, was an important landmark for Slovakia's metal-mining sector as it signalled the final ore production in the Stiavnicke Hills mining district in central Slovakia. Slovenska Banska Ltd located in Hodrusa, had been the country's only gold producer and was forced to halt operations because of depleted reserves, a lack of funds for exploration and the low price of gold. Thus ended almost two thousand years of precious and base metals mining in the Stiavnicke Hills. Over the past ten years Slovenska Banska produced some 3,130 kg of gold.

In the ferrous-metals sector, the economic situation of iron-ore producer Siderit-Zelba deteriorated as a result of higher prices for natural gas. The cost of roasting sideritic ore (30% Fe) has now reached about 40% of the price of the pellets produced. Management is addressing the problem by seeking to obtain government-guaranteed credit for re-engineering the production line and replacing the rotary kilns with shaft kilns which should cost less to operate.

In the industrial minerals sector, the future looks uncertain for the large talc deposit near Gemerská-Poloma, which was being developed by Rozmin Ltd (owned 57% by Belmont Resources of Canada and 43% by Rima Ltd, Roznava). Work on a decline was halted after just 100 m.

Gypsum production in Slovakia increased last year as a result of higher output by Zelba Co. Ltd at its new Safarka deposit. Production from the open pit reached 30,000 t and will build to the planned level of 85,000 t/y over the next few years.

## Slovak Mineral Production (`000 t except where stated)

Commodity	1999	2000	2001
Iron - pellets, concentrate	458	447	435
Copper (t) in concentrate	124	0	0
Gold (kg)	362.6	305.8	156.6
Magnesite - concentrate	826	1,000	961
Talc	1.9	1.8	2.6
Kaolin	22.9	21.0	34.7
Bentonite	64	77	73
Salt	119	122	123
Barytes	15.9	13.7	14.4
Gypsum	117	108	169
Perlite	20	17	15
Brown coal	3,745	3,646	3,421
Natural gas (million m <sup>3</sup> )	218.6	202.52	211.688
Oil and condensate	60.3	56.9	54.1

In the energy sector, Slovakia's brown-coal production decreased slightly during 2001 by around 220,000 t to 3.42 Mt, mainly because of lower output by Bana Dolina in Velký Krtis. Bana Dolina obtained from the Ministry of Economy a grant for the closure of the mine, and this should be accomplished over the next five years. For the next 20 years at least, however, brown

coal should continue to be Slovakia's principal source of domestic energy.

For hydrocarbons, oil and condensate production by Nafta Gbely fell slightly last year but output of natural gas posted a modest increase because of the opening of new natural gas fields and the re-opening of some old ones, such as Ptruksa.