



A number of important milestones were achieved in the mineral sector in Eritrea since the last publication of this journal. These include among others the signing of Mining Agreements for the Koka gold and the Harena deposits, the completion of a Feasibility Study for the Debarwa deposit and Pre-feasibility Study for the Asmara north projects of Sunridge Gold, the completion of Scoping and kick off of Definitive Feasibility Study for the Colluli potash, target generation and detail follow ups at Haykota, Adobha and Akordat North concessions.

There are now twenty exploration and mining companies operating in Eritrea and represent Canada, Australia, China, UK, UAE and Barbados. One of them is an operating mine while another one has finished most regulatory requirements to start development work. Two more companies are following suit by completing feasibility studies soon. Total surface area covered is a little over 17.5 thousand sq.km. from which the mining license area is 41 sq.km.

Mining and Development-Stage Companies

Bisha Mining Share Co (BMSC) is a mining company formed by a joint venture agreement between Eritrea's National Mining Corp. (ENAMCO) and Canada's Nevsun Resources Ltd. BMSC managed to successfully start and operate the first modern mine in Eritrea. Bisha mine was commissioned in the end of 2010 and commercial production started in February 2011. Since then mining continues with strong operational and safety performance. Bisha is a high grade, low cost mine with 28 million tons @ 1.78 g/t gold, 38.9 g/t silver, 1.6% copper and 3.15 % zinc and indicated and inferred resource of 10.6 million tons @ 0.67 g/t Au, 47.78 g/t Ag, 0.91 percent Cu and 5.67 percent Zn consisting three layers of mineralization, the oxide, supergene and primary zones.

After operating the mine for over a year and half BMSC has recently announced a new reserve totaling 26.5 million tonnes for a total of 167,000 troy ounces of gold, 1.041 billion pounds of copper, and 2,680 million pounds of zinc. As indicated above the gold reserve in the oxide cap will last only for few months. The addition of the Harena gold, for which a mining permit has recently been issued by the MoEM, will extend the life of the current gold recovery operation until the expected commissioning of the copper plant in mid 2013. Copper production is expected to be 180 million pounds of payable metal per year, in concentrate with significant gold and silver

Mining and Exploration Activities in Eritrea

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