





*In Peru Geomin collaborates with the state mining agency, Mineroperu. The photo shows crushing of copper ore at the state owned Cerro Verde mine.*



## Geomin

*By Magnus Ericsson*

**Among the CMEA-countries Romania is the most active in exploring new forms of cooperation with "Third World" countries in order to secure a stable long term supply of natural resources for the national industry.**

**To find out more about this policy Magnus Ericsson has interviewed Florian Firulescu, Managing Director of the state mining company, Geomin.**

**RMR:** Which are the basic business ideas behind Geomin?

**Geomin:** GEOMIN is a state company founded in 1969, specialized in exploration and turning into account of solid mineral resources.

GEOMIN represents abroad the whole capability of Romanian geology, mining and machine-building industry.

GEOMIN services cover all the development stages of a mining project, from the preliminary investigation of an area to the production and trading of final mineral products, including the construction of mines, open-casts and ore dressing plants.

**RMR:** During the 1970s Geomin has entered into a number of joint ventures as for example in Peru, Burundi, Tanzania etc. Could you describe how these projects are generally carried out? What results have been achieved during the 70s, in terms of production, exploration etc, in these various projects?

**Geomin:** In the 1970s GEOMIN entered into different co-operation relations with foreign partners aiming at the identification and turning into account of mineral resources.

GEOMIN's contribution to such joint-ventures consists in: geological surveying, design, delivery of equipment and plants, technical assistance for mounting, running in and the putting into operation of industrial units, operating and managing staff, credits.

The GEOMIN contribution, credits and profit sharing, may be repaid in raw materials from the jointly operated project.

**RMR:** What projects is Geomin involved in today and what are the plans for the future?

**Geomin:** For the time being, GEOMIN

provides services through the agency of its subsidiaries in Taiz-AR Yemen (geological drilling for non-ferrous ores and building materials), Lusaka-Zambia (geological and hydro-geological surveying, water wells), Homs-Syria (activities in the field of phosphate exploiting and dressing).

GEOMIN also provides services on contract basis in some countries in Africa, Asia, the Near and Middle East, such as: PDR Yemen (hydrogeological and water supplying drilling), China (preliminary design for Huoxian coal mine and preparation plant), Congo (technical assistance in geological field), Vietnam (delivery of mining and transport equipment and machinery for Khe-Cham anthracite mine).

GEOMIN intends to go on with the works for those projects and to extend its activity to some new projects for which negotiations are proceeding.

**RMR:** Which are your main competitors in the world market?

**Geomin:** We cannot speak about any certain competitor, but as far as our activity is concerned any firm carrying on the same job could be a rival.

**RMR:** How is Geomin affected by the international recession in the minerals field?

**Geomin:** The lowering of investment level in the world mining industry, the temporary reduction of the activity or the shut-down of some mines are dressing plants, the postponing of the decisions for developing new projects, gave birth to some difficulties for our company that made increased efforts to maintain the activity necessary.

**RMR:** How do you take into account the political situation in a country where you are planning a project?

**Geomin:** The political situation and stability in a region, the way by which polit-

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ical changes could have economic effects endangering our interest, the system of foreign investment, etc, are carefully examined when a new joint-venture is set up with a foreign partner as its activity shall carry on under local jurisdiction. In that case, the state agreements or Romania with the respective government and obli-

gations assumed mutually also play an important role.

**RMR:** How important is the activity of Geomin to the overall mineral supply of Romania, is its importance growing or diminishing?

**Geomin:** Despite the world-wide recession, GEOMIN plays an important part for supplying Romania with useful minerals showing a deficit in our country.

**RMR:** Could you describe in more detail one of your African projects, for example the Zambian venture Mokambo.

**Geomin:** Based on a licence granted by the Zambian government, GEOMIN carried out on its own account and risk geological surveys at Mokambo copper ore deposit (Copper Belt). The potential reserves are about 41 Mt of ore, average content 1.72 per cent Cu.

For continuing the exploratory works and turning into account the deposit, in 1974 GEOMIN entered into partnership with the state Zambian company ZIMCO and so MOKAMBO DEVELOPMENT Co Ltd has been set up as a joint venture. During 1974–1976, the joint venture performed a geological and hydro-geological surveying programme, but in May 1976, as the copper price broke down, the operations were stopped.

The feasibility study and surveying programme for the second stage have been up-to-dated.

As the metal market worsened, for avoiding losses, the partners agreed to keep the project on a care and maintenance basis until conditions improve.

**Full services**  
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JOINT VENTURES

**for mining projects**

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The advertisement features a detailed illustration of a surveyor in a hard hat and safety glasses, operating a theodolite on a tripod. The background is a dark, stylized landscape with clouds. In the foreground, there is a large, detailed drawing of a mining machine, possibly a bulldozer or excavator, with a worker in a hard hat and safety vest operating it. The overall style is technical and industrial.

*Geomin is very actively promoting its services in the international press. Advertisement from Mining Annual Review 1982.*

### Joint-ventures with GEOMIN partnership

Joint venture	Location	Partner	Equity capital	Participation in activity of joint venture
<b>SOMINA</b>	Morocco, Rabat	BRPM Morocco	25,1 %	geological surveying, feasibility study and mining design, transport and power equipment, flotation plant, technical assistance for copper mines Quansimi and Talaat. Quansimi mine is in operation now.
<b>SOMIBUROM</b>	Burundi Bujumbura	Ministry of Public Works, Energy and Mines	49 %	geological surveying on contract basis, exploitation of non-metallic substances, delivery of equipment, production and trading of bicycles and radio sets.
<b>COEMIN Ltda</b>	Chile Copiapo	National Automoritz Commercializadora Segundo SA	49 %	geological and technological investigations, feasibility study and mining design, delivery of equipment and machinery for polymetallic ores exploitation and transport, as well as flotation plant for dressing copper and silver ores from small producers.
<b>ANTAMINA Ltd</b>	Peru Lima	MINERO-PERU	49 %	geological investigations, drilling and mining works, estimation of ore reserves of copper, zinc and molybdenum Antamina deposit, technological tests and basic engineering design for a final output of 20 Kt ore/day, under difficult conditions of location. As the copper market is depressed and the required capital to develop Antamina deposit is very important, the partners agreed to dissolve the j v, waiting for the improving of metal prices.
<b>MOKAMBO Ltd</b>	Zambia, Lusaka	ZIMCO	49 %	geological surveying, deposit exploration by drilling and mining works and feasibility study for copper deposit of Mokambo, delivery of equipment. Due to the depressed market conditions of copper the project is now under care and maintenance basis.
<b>BESAMINCO</b>	Tanzania, Dar Es Salaam	STAMICO	25 %	geological investigations, technological tests, feasibility study for turning into account the heavy metals in beach sands. Due to the depressed market of metals, the project is now under care and maintenance basis.
<b>CONSORTIUM FOR PHOSPHATE SURVEYING</b>	Mauretania, Nouakchott	BRGM – France SNIM – Mauritania SSPT – Senegal	5 %	participation by capital.
<b>SCAROMINES</b>	Central African Republic Bangui	Ministry of Mines and Geology	49 %	geological investigations and feasibility study for the beneficiation of diamantiferous alluvial deposits. As the results of investigations were not promising, the j v has been dissolved. ■