MINES SERVICE Annual report 2021

1. INTRODUCTION

The Mines Service is the competent authority of the administration of the Mines and Quarries Law and Regulation and the Explosive Substances Law and Regulation.

2. MINING AND QUARRYING

The mining industry has been on the decline (practically non - existent) for the last four decades. The only mining activity that existed until recently in the country was the mine of Skouriotissa in Nicosia district, which resumed its operation in mid-1996 with the production of copper metal cathodes (99.999%), applying the method of extraction - extraction with organic solvent - Leaching - SX - EW. However, the copper reserves in the mine of Skouriotissa have been exhausted and therefore the company plans to transfer part of the facilities of the hydrometallurgical treatment of copper ores to the mine of Apliki.

In order to enable the continuation of the hydrometallurgical works at the Skouriotissa Mine, a request was submitted to the Mines Service, for the use of the mining lease for the processing of Laterite ore, which will be imported from abroad. The method of extraction and processing of this ore is similar to that of Copper and therefore, part of the existing facilities of the mine will be used, with some modifications. As part of the examination of the company's request, an Environmental Impact Assessment Study has been submitted and approved by the Environmental Authority. The company's request has been approved and the production of nickel sulfate has already started. Based on the relevant terms that have been set, the Laterite is processed in such a way that the ore, after its processing, is used for the restoration of the Skouriotissa mine.

Concerning the prospecting of metals, a great interest was shown for copper and precious metals, especially gold.

There is extensive quarrying of rocks and industrial minerals in Cyprus. There are about 118 quarries producing of various materials. They produce for local use havara, sand and gravel, aggregates (from limestone and diabase) building stone, limestone, clay, gypsum and for export building stone, gypsum, bentonite, umber and ochre. There is also local production and exports of quick and hydrated lime, portland and other types of cement and gypsum plasters. There is also great interest for the prospecting of quarry materials and industrial minerals.

3. ENVIRONMENTAL STUDIES - HEALTH AND SAFETY

The mining and quarrying operations have the obligation to submit every five years to the Mines Service, renewed environmental study taking into consideration the new conditions of the exploitation area. This was adopted in the national legislation according to the Directive 2006/21/EC of the European Parliament and of the Council of 15 March 2006 on the management of waste from extractive industries. The operations have to be supervised by a Mining Engineer.

A great share of Mines Service personnel time is spent for inspection of the working conditions (safety and health) in mines and quarries and related installations. The effort is to eliminate accidents and occupational diseases. The people working in mining and quarrying are examined every two years by the Pneumoconiosis Medical Board.

4. EXPLOSIVE SUBSTANCES AND HUNTING AMMUNITION

The Head of the Mines Service is also the Explosives Substances Inspector and has the control of the import, storage, sale and use of the explosive substances and hunting ammunition.

5. CYPRUS STANDARD SPECIFICATIONS FOR AGGREGATES

From 1/5/2004 the Ministry of Interior is the Competent Authority for checking the quality of the produced aggregates.

6. ECONOMICS

The total exports in 2021 for metals, ores and industrial minerals amounted at €14.5 million and from exports of cement and its by-products at €25 million.

The total income of Mines Service in 2021 for rents, fees and royalties was €6.526.801. The amount of €3.678.235 was granted to the Communities, affected from the mines and quarries operation, in order to use it for the development of their own program.