
Cuba to revive mining sector with new lead and zinc mine

24/07/2017



A new lead and zinc mine in northwestern Cuba is on track to start production in October as part of the Caribbean island's attempt to revitalize its mining sector, said a representative from Emincar, the government-backed mining company overseeing the project.

While nickel exports are already one of Cuba's main foreign currency earners, the cash-strapped country has untapped potential in other mineral deposits, according to the US Geological Survey.

The \$278 million Castellanos mine will produce 100,000 tons of zinc concentrate and 50,000 tons of lead concentrate annually, said executives at Emincar, the joint venture between Swiss-based commodities giant Trafigura and Cuban state firm Geominera.

"We are reviving the small and medium-size mining sector in Cuba from this investment," said Justo Hernández Pérez, Emincar's deputy general manager, during a visit from foreign journalists to the mine in the province of Pinar del Rio.

Many mines, including a gold mine at the site of the new Castellanos mine, were abandoned in the 1990s and 2000s in the wake of the fall of Cuba's then key ally -

the former Soviet Union, and the collapse of the economy.

"We are now exploiting the deposit below oxide cap," said Emincar general manager Jose Vila, noting that it could prove profitable once more for gold mines there.

The Castellanos mine holds reserves for 11 years of exploitation, while the nearby Santa Lucia deposit has enough for another 10 years, Vila said. Emincar will go on to exploit that deposit, tweaking its factory accordingly, once the Castellanos mine is exhausted.

In its annual investment portfolio released late last year, Cuba published dozens of opportunities for foreign investors to explore, exploit and commercialize precious metals, base metals and other minerals of interest.

Cuba hopes foreign investment will boost its economy, which managed to climb out of a recession in the first half of 2017. The island is under severe strain due to lower exports and a drop in cheap oil shipments from ally Venezuela.
