Profiles of Mining Licensees

Green Alternative

July 2019
The document was prepared in the frame of Green Alternatives case study funded by Global Forest Watch (GFW) “Improvement of forest use and reforestation policy and practice in mining sector of Georgia”. Project is funded by GEF and implemented by the Ministry of Nature protection and Agriculture of Georgia and World Resources Institute.

The content of this publication is the sole responsibility of Green Alternative and can under no circumstances be regarded as reflecting the views of the donors.
Profiles of Mining Licensees

Introduction

Green Alternative regularly publishes studies on mining and mineral processing companies - so-called large-scale pollutants. Periodically updated reports include information on current activities of these companies, environmental damage, access to environmental information and other areas of environmental importance.

This document is part of Green Alternative’s ongoing activities to advocate for transparent, accountable and sustainable management of natural resources. The document contains information on three important areas for mineral extraction:

- Extraction of manganese in Chiatura and Sachkhere municipalities in Imereti, western Georgia;
- Mining of nonferrous metals in Tsalka, Tetritskaro, Dmanisi, Bolnisi and Marneuli municipalities in Kvemo Kartli;
- Extraction of limestone in Dedoplistskaro municipality in Kakheti.

The profiles of mining licensees for all three areas, to the extent possible, include the following information:

- Mining license holders;
- License validity, area, volume of resources to be extracted;
- Forest covered area within the license perimeter;
- Loss of forest area over the past years;
- Agreements on special use of forest;
- Recultivation measures planned/implemented by the user of minerals;
- Compensation measures for forest ecosystems (restoration, renewal, promotion) and monetary compensation.

The information is based on public information from portals www.atlas.mepa.gov.ge, www.data.mepa.gov.ge and various agencies as well as our GIS analysis. The forest fund area and forest covered areas within the license perimeter are given as of 2018. Data on forest loss reflect the situation of 2000-2018. Other information reported in the study is as of July 30, 2019 (unless otherwise stated in the text).

The document provides an opportunity to carry out long-term monitoring and assess the impact of the mining industry on forest ecosystems.
Extraction of limestone in Dedoplistskaro municipality in Kakheti

In Kakheti, in Dedoplistskaro municipality, there are currently 15 licenses for extraction of minerals (limestone), which are presented on the portals https://atlas.mepa.gov.ge and http://data.mepa.gov.ge as 18 license areas (in certain cases two license areas are covered in one license on use of minerals). Licenses are owned by various companies, some of which are organically linked.

Figure 1. Extraction of limestone in Dedoplistskaro and Sighnaghi municipalities in Kakheti

This figure shows the license area of limestone extraction in Dedoplistskaro municipality in Kakheti, covering 118.8 ha. The state forest fund within the license contour is 44.7 ha, the forest covered area (by 2018) was 27.4 ha. In all cases data on the forest fund and forest covered area within the contour of license areas are as of 2018. Forest loss during the period from 2000 to 2018 is not reported.

---

1 According to maps from www.data.mepa.gov.ge, some of license areas are transferred to Sighnaghi municipality; however, according to the boundaries of municipalities registered in the Public Registry, all the license areas are located in Dedoplistskaro municipality.

2 For more information, see: HeidelbergCement Georgia- Company profile, 2018, Green Alternative
According to full register of licenses issued for extraction of minerals, #1 and #5 license areas have been merged into one license (#100352) and their total area is 31,26 ha. According to the same source, the license is valid from 01.11.13 to 22.08.26. It also states: “Georgian Cement Ltd has fully transferred License #00263, License #100331 has been amended, and part of License #100890 has been transferred to Quarry Holding Ltd.

1. License N 1001352

License holder - Ltd Terjola Quarry; I/C - 2045468113

Location of license area - Dedoplistskaro municipality

Minerals - limestone (cement production); total extraction 31413800 t.

Validity of license 22.08.2006 – 22.08.2026

License area - 23,7 ha (according to map)

State forest - 20,6 ha

Forest covered area - 21,1 ha

Current mining quarry area - 2,7 ha

Forest loss within the license area (2000-2018) - 0 ha

---

3 According to full register of licenses issued for extraction of minerals, #1 and #5 license areas have been merged into one license (#100352) and their total area is 31,26 ha. According to the same source, the license is valid from 01.11.13 to 22.08.26. It also states: “Georgian Cement Ltd has fully transferred License #00263, License #100331 has been amended, and part of License #100890 has been transferred to Quarry Holding Ltd.
2. License N 1004925

License holder - LLC Terjola Quarry; I/C - 2045468114

Location of license area - Dedoplistskaro municipality

Minerals - limestone (cement production); total extraction 1368900 t.

Validity of license 22.08.2006 – 22.08.2026; According to National Agency of Mines (NAM) - 28.09.17-22.08.26

License area - 2,7 ha, According to National Agency of Mines (NAM) - 2,66 ha

State forest - 2,2 ha

Forest covered area - 0,5 ha

Current mining quarry area - 1,2 ha

Forest loss within the license area (2000-2018) - 0 ha

---

4 According to full register of licenses issued for extraction of minerals, #1 and #5 license areas have been merged into one license (#100352) and their total area is 31, 26 ha. According to the same source, the license is valid from 01.11.13 to 22.08.26. It also states: “Georgian Cement Ltd has fully transferred License #00263, License #100331 has been amended, and part of License #100890 has been transferred to Quarry Holding Ltd.
### 3. License N 1000794

<table>
<thead>
<tr>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>License holder</td>
<td>LtD HeidelbergCement Georgia I/C - 230866435</td>
</tr>
<tr>
<td>Location of license area</td>
<td>Dedoplistskarok municipality</td>
</tr>
<tr>
<td>Minerals</td>
<td>limestone (cement production); total extraction - 29048000 t.</td>
</tr>
<tr>
<td>Validity of license</td>
<td>15.02.2007. – 15.02.2027; According to National Agency of Mines (NAM) - 21.08.12-5.02.27</td>
</tr>
<tr>
<td>License area</td>
<td>26.7 ha</td>
</tr>
<tr>
<td>State forest</td>
<td>7.2 ha</td>
</tr>
<tr>
<td>Forest covered area</td>
<td>0.2 ha</td>
</tr>
<tr>
<td>Current mining quarry area</td>
<td>16.6 ha</td>
</tr>
<tr>
<td>Forest loss within the license area (2000-2018)</td>
<td>0 ha</td>
</tr>
</tbody>
</table>
4. License N 1000326

License holder - LLC “Rustavi Steel”, I/C - 404411908

Location of license area - Dedoplistskaro municipality

Minerals - limestone (building materials); total extraction - 12670000 t. (source: http://data.mepa.gov.ge) - 12157955 t. (minimum 300 000 t per year.);

Validity of license - 15.02.2007- 15.02.2027  According to National Agency of Mines (NAM) - 29.12.11-15.02.27

License area - 8,4 ha

State forest - 2,6 ha

Forest covered area - 1,6 ha

Current mining quarry area - 6,8 ha

Forest loss within the license area (2000-2018) - 0 ha
5. License N 1001352
License holder - LLC Terjola Quarry; I/C - 204546811
Location of license area - Dedoplistskaro municipality
Minerals - limestone (cement production); total extraction - 31413800 t.
Validity of license - 22.08.2006 – 22.08.2026
License area - 7,5 ha
State forest - 4 ha
Forest covered area - 3,1 ha
Current mining quarry area - 4,4 ha
Forest loss within the license area (2000-2018) - 0 ha
6. License N 1003981

License holder – LLC Road Construction-Maintenance Company Serpantini, I/C- 231165529

Location of license area - Dedoplistskaro municipality (area named “Khevsurka”, Town Dedoplistskaro)

Minerals - limestone (cement production); total extraction - 463 040 t.

Validity of license  16.09.2016 – 16.09.2031

License area - 1,5 ha

State forest - 0 ha

Forest covered area - 0 ha

Current mining quarry area – 0 ha

Forest loss within the license area (2000-2018) - 0 ha
7. License N 1000557

License holder - LTD Georgian Mega Cement Group I/C - 404889849
(N 1000460 license received from f/p Archil Ochigava)

Location of license area - Dedoplistskaro municipality

Minerals - limestone (cement production); total extraction - 1193100 t.

Validity of license - 16.03.2012 – 16.03.2032 (source: http://data.mepa.gov.ge); 20.04.12 - 17.03.32 (source: National Agency of Mines (NAM))

License area - 9,7 ha

State forest - 0,8 ha

Forest covered area - 0,7 ha

Current mining quarry area – 0 ha

Forest loss within the license area (2000-2018) - 0 ha
8. License N 1000364

License holder - LTD Georgian Mega Cement Group I/C - 404889849
(N 1000115 license received from f/p Archil Ochigava)

Location of license area - Dedoplistskaro municipality

Minerals - limestone (construction materials); total extraction - 2324000 t.

Validity of license - 10.06.2011-10.06.2031 (source: http://data.mepa.gov.ge); 12.01.12 - 11.06.31 (source: National Agency of Mines (NAM))

License area - 3,8 ha

State forest - 0,1 ha

Forest covered area - 0,2 ha

Current mining quarry area – 0 ha

Forest loss within the license area (2000-2018) - 0 ha
<table>
<thead>
<tr>
<th>9. License N 1003016</th>
</tr>
</thead>
<tbody>
<tr>
<td>License holder - LTD „Logiko“, I/C - 428519935</td>
</tr>
<tr>
<td>Location of license area - Dedoplistskaro municipality, near village Tsiteltskaro</td>
</tr>
<tr>
<td>Minerals - limestone (construction materials); total extraction - 190080 t.</td>
</tr>
<tr>
<td>Validity of license - 20.10.2015-20.10.2025</td>
</tr>
<tr>
<td>License area - 0,5 ha</td>
</tr>
<tr>
<td>State forest - 0 ha</td>
</tr>
<tr>
<td>Forest covered area - 0 ha</td>
</tr>
<tr>
<td>Current mining quarry area – 0 ha</td>
</tr>
<tr>
<td>Forest loss within the license area (2000-2018) - 0 ha</td>
</tr>
</tbody>
</table>
10. License N 100020

License holder - J.S.C. Artsvis Kheoba, I/C 228518805

Location of license area - Dedoplistskaro municipality, „Artsvis Kheoba 2”

Minerals - limestone (cement production); total extraction - 2282300 t.

Validity of license - 02.06.2008 – 02.06.2028

License area - 20,13 ha

State forest - 0 ha

Forest covered area - 0 ha

Current mining quarry area - 14,7 ha

Forest loss within the license area (2000-2018) - 0 ha
11. License N 1002593

License holder – Ltd. NP Invest Group I/C 202446709 (received N 1001707 LTD „TRANS MOBIL“)

Location of license area – Dedoplistskaro municipality “Artsivis Kheoba 2”

Minerals - limestone (construction materials); total extraction - 315733 t.


License area - 0.4 ha (source: [http://data.mepa.gov.ge](http://data.mepa.gov.ge))

State forest - 0 ha

Forest covered area - 0 ha

Current mining quarry area - 0 ha

Forest loss within the license area (2000-2018) - 0 ha

---

5 სახალის წყლური ეროვნული სააგენტოს რეგისტრზე მიხედვით, სალიცენზიო უბნები N 11 და N 12 აფიქსირების ოფიციალურ ქვედანგმო N 1002593 ლიცენზიის შემადგენლობაში და მათი ჯამური ფართობი 1,23 ჰა. მათი მოქმედების პერიოდი 25.05.15-დან 01.08.19-მდე.
12. License N 1002593

License holder - LTD NP Invest Group - IC# 202446709

Location of license area - Dedoplistskaro municipality (II district)

Minerals - limestone (construction materials); total extraction 315733 tones


License area - 0.8 hectares

State forest - 0 hectares

Forest covered area - 0 hectares

Current mining quarry area - 0 hectares

Forest loss within the license area (2000-2018) - 0 hectares
License N 1004395

License holder - Archil Gochashvili, IC# - 59004000118

Location of license area - Dedoplistskaro municipality

Minerals - limestone (construction materials); total extraction 56000 m³

Validity of license - 06.04.2017 - 06.04.2027

License area - 0,8 hectares

State forest - 0 hectares

Forest covered area - 0 hectares

Current mining quarry area - 0,8 hectares

Forest loss within the license area (2000-2018) - 0 hectares
<table>
<thead>
<tr>
<th>License</th>
<th>License N 1003934</th>
</tr>
</thead>
<tbody>
<tr>
<td>License holder</td>
<td>LTD Kaltsiti, IC - 228538008</td>
</tr>
<tr>
<td>Location of license area</td>
<td>Dedoplistskaro municipality</td>
</tr>
<tr>
<td>Minerals</td>
<td>limestone (construction materials); total extraction - 350000 m³</td>
</tr>
<tr>
<td>Validity of license</td>
<td>30.08.2016 – 30.08.2036</td>
</tr>
<tr>
<td>License area</td>
<td>2.1 hectares</td>
</tr>
<tr>
<td>State forest</td>
<td>2.1 hectares</td>
</tr>
<tr>
<td>Forest covered area</td>
<td>0 hectares</td>
</tr>
<tr>
<td>Current mining quarry area</td>
<td>1.2 hectares</td>
</tr>
<tr>
<td>Forest loss within the license area (2000-2018)</td>
<td>0 hectares</td>
</tr>
</tbody>
</table>

6 სახორციან წესის ფორმული საქართველოს საშუალო-საქართველოს მიწისკერძის სამსახურში, N 14 და N 15 სალიცენზიო უბნები შედიან N 1003934 ლიცენზიაში შემადგენლობაში და მათი ჯამური ფართობია 5.0 ჰა, ხოლო ჯამური მოპოვება - 350 000 ტ.
### 15. License N 1003934

**License holder** – LTD Kaltsiti, IC - 228538008

**Location of license area** - Dedoplistskaro municipality

**Minerals** - limestone (construction materials); total extraction - 350000 m³

**Validity of license** - 30.08.2016 – 30.08.2036

**License area** - 2.94 hectares

**State forest** - 2.9 hectares

**Forest covered area** - 0 hectares

**Current mining quarry area** - 2 hectares

**Forest loss within the license area (2000-2018)** - 0 hectares

---

7 სიტყვა წიაღის ეროვნული სააგენტოს რეესტრის მიხედვით, N 14 და N 15 სალიცენზიო უბნები შედიან N 1003934 ლიცენზიის შემადგენლობაში და მათი ჯამური ფართობია 5.0 ჰა, ხოლო ჯამური მოპოვება - 350 000 ტ.
16. License N 1002256

License holder – LTD Kaltsiti, IC - 228538008
Location of license area - Dedoplistskaro municipality
Minerals - limestone (construction materials); total extraction – 401 000 m³
Validity of license - 13.01.2015 – 13.01.2035
License area – 4,01 hectares
State forest - 2,9 hectares
Forest covered area - 0 hectares
Current mining quarry area – 2,3 hectares
Forest loss within the license area (2000-2018) - 0 hectares
17. License N 1005028

License holder – Giorgi Navridashvili, ID - 228538008

Location of license area - Dedoplistskaro municipality

Minerals - limestone (construction materials); total extraction – 155000 m³

Validity of license - 29.09. 2017- 29.09 (according to the [http://data.mepa.gov.ge](http://data.mepa.gov.ge)); 13.11.17-30.09.32 (according to the National Agency of Mines)

License area – 1,5 hectares

State forest - 0 hectares

Forest covered area - 0 hectares

Current mining quarry area – 0 hectares

Forest loss within the license area (2000-2018) - 0 hectares
17. License N 1000306

License holder – LTD Infinitely I/C- 405050215

Location of license area - Dedoplistskaro municipality, near village Japaridze

Minerals - limestone (construction materials); total extraction – 178074 m³ - according to the http://data.mepa.gov.ge;
180 840 m³ – according to the National agency of Mines

Validity of license - 24.10.18 - 25.10.33

License area – 1,5 hectares

State forest - 0 hectares

Forest covered area - 0 hectares

Current mining quarry area – 0 hectares

Forest loss within the license area (2000-2018) - 0 hectares
None of the licensees mentioned above have implemented compensation measures on the territory of LEPL National Forestry Agency (restoration of forest, promotion of renewal, reforestation, etc.), nor have they paid out compensation for the damage caused to the forest fund\(^8\). It is also logical as the above information on each license area shows that no damage to the forest was reported in the period of 2000-2018, while public information provided covers the post-2013 period.

The above-mentioned companies have not concluded any agreements with LEPL National Forestry Agency on special-use of the state forest fund (mining or exploration/extraction of minerals).

Moreover, nor the licensees have prepared and approved projects for soil and vegetation restoration (recultivation) in accordance with the Technical Regulation “On removal, storage, use and recultivation of fertile layers of soil” of Decree #24 of the Government of Georgia of December 31, 2013”.

\(^8\) Source: public information provided by the Ministry of Environment Protection and Agriculture
Extraction of manganese in Chiatura and Sachkhere municipalities in Imereti, western Georgia

Exploitation of Chiatura manganese deposit in Imereti started in 1879. Until 1990, 203 million tons of crude ore were extracted, and 108 million tons of production were sold out. In 1993 a joint-stock company Chiaturmanganese was established based on the production association Chiaturmanganese. On November 11, 2006, as a result of the auction held at the Ministry of Environment Protection and Natural Resources of Georgia, the license to extract minerals - manganese - as well as JSC Chiaturmanganese assets was sold. The only bidder, Georgian Manganese Holding Limited, won the auction. Since then, the owners and the name of mining licensee company and enterprise have been changed several times. The company is currently run by a temporary manager appointed by court.9

At present, only one company - Ltd Georgian Manganese has the license to extract manganese in Chiatura and Sachkhere municipalities in Imereti.

Currently, Chiatura manganese is extracted both underground and in the open pit. Georgian Manganese started open-pit mining in 2009. Prior to this, it was not a large-scale extraction (small subcontractors used to extract mineral); in certain cases, illegal extraction was reported as well.

License N 100330

| License holder – Ltd Georgian manganese, I/C - 230085797 |
| Location of license area – Chiatura and Sachkhere municipality |
| Minerals - Manganese; total extraction – 2008-2011 - 1600000 tons, since 2012 – 400000 tons, at least 2000000 tones must be processed in Georgia |
| License area – 16 430.7 hectares |
| State forest - 2757.8 hectares |
| Forest covered area - 5664.4 hectares |
| Current mining quarry area – 336.6 hectares |
| Forest loss within the license area (2000-2018) - 29.4 hectares |

---

9 For more information, see: Special Manager at the Georgian Manganese – Attempts for Improvement of the Enterprise or Distribution of Shares?, Green Alternative 2018
Figure 2. License for manganese extraction in Chiatura and Sachkhere municipalities

The figure shows the license area for manganese extraction in Chiatura and Sachkhere municipalities in Imereti. The total license area is 16430.7 ha, the state forest fund covered by license contour is 2757.8 ha, forest covered area (as of 2018) was 5664.4 ha. Forest loss in 2000-2018 amounted to 29.4 ha. The area of quarries operating in the license area is 336.6 ha.

In accordance with the Technical Regulation “On removal, storage, use and recultivation of fertile layers of soil” of Decree #24 of the Government of Georgia of December 31, 2013, the Georgian Manganese Ltd, in 2015, prepared 11 projects on recultivation approved by the Ministry of Environment Protection and Natural Resources that envisage restoration of soil and vegetation in produced quarries, in coordination with the Ministry. On the basis of agreements with the Georgian Manganese Ltd, these projects have been implemented by Grigol Tsulukidze Mining Institute.

1. Cultivation project on Mghvimevi mining quarry “Arusiebi #1”

The project envisages land recultivation of 5.34 ha area, out of which 3.34 ha is an internal quarry area and 1.8 ha – rock dump. Out of 3.54 ha of internal quarry area, 2.28 ha will be restored for agricultural or other purposes, while forest will be planted over 1.06 ha of sloped area (acacia, chestnut or pine - species not specified). 1.8

10 Source: Public information, Letter from the Ministry of Environment Protection and Agriculture #N2249/01, 04.03.2019
hectare area of the rock dump will be fully used for agricultural purposes. The quarry recultivation period is 2019-2022, operational costs amount to GEL 184424.

2. Recultivation project on Tsereteli mining quarry “Bukhrashvilebi”
As a result of project activities, 2.2 ha area will be restored - including 1.65 ha of the quarry area itself and 0.55 ha of the rock dump. Over the restored area, forest will be planted. The quarry recultivation period is 2018-2019, operational costs are estimated at GEL 212346.

3. Recultivation project on Mghvimevi mining “Estacade adjacent area quarry”
As a result of recultivation measures, 4.13 ha area will be restored, including the quarry area - 2.93 ha and the rock dump - 1.2 ha. 2.41 ha will be used for agricultural or other purposes, and 1.72 ha will be used for planting forest. The timeline for implementing recultivation activities is 2018-2021. The total cost of recultivation activities amounts to GEL 130095.

4. Recultivation project on Shukruti mining quarry “Plain-Forest”
As a result of recultivation measures, 9.6 ha area will be restored - including 6.4 ha of the quarry area itself and 3.2 ha of the rock dump. Over the restored area, forest will be planted. The quarry recultivation period - 2016-2017, operational costs amount to GEL 448268.

5. Recultivation project on Ikhtvisi mining quarry #32
As a result of recultivation measures, 0.33 ha area will be restored, which will be fully used for agricultural purposes. The timeline for implementing recultivation activities - 2016-2019; costs for recultivation activities amount to GEL 24813.

6. Recultivation project on Rgani mining quarry “Kavteladzeebi #1”
As a result of recultivation measures, 3.4 ha area will be restored where forest will be planted. The timeline for implementing recultivation activities is 2020-2021; the total cost of recultivation activities amounts to GEL 24813.

7. Recultivation project on Rgani mining quarry “Kavteladzeebi #2”
As a result of recultivation measures, 1.92 ha of land will be restored, out of which 1.54 ha will be used for agricultural purposes, planting a vineyard or other purposes; over 0.38 ha, forest will planted. The timeline for implementing recultivation activities is 2017-2020; the total cost of recultivation activities amounts GEL 194066.

8. Recultivation project on Darkveti mining quarry “Katsitadzeebi”
As a result of recultivation measures, 3.3 ha will be restored, including the quarry area - 2.0 ha and the rock dump - 1.3 ha. The restored area will be used for settlement of population and agricultural purposes. The timeline for implementing recultivation activities is 2016-2019; the total cost of recultivation activities amounts GEL 163140.

9. Recultivation project on Stalini mining quarry “Napartskhebi”
As a result of recultivation measures, 12.8 ha will be restored, including the quarry area - 6.75 ha and the rock dump - 6.05 ha. 10.25 ha will be used for agricultural or other purposes, and 2.55 ha will be used for forestry.
The timeline for implementing recultivation activities is 2016-2019; the total cost of recultivation activities amounts GEL 454300.

10. Recultivation project on Rgani mining quarry #27”
As a result of recultivation measures, 4.92 ha area will be restored, out of which 0.92 will be quarry sloped area where forest will be planted; 4.0 ha area will be used for settlement of population and agricultural purposes. The timeline for implementing recultivation activities is 2020-2023; the total cost of recultivation activities amounts to GEL 234650.

11. Recultivation project on Shukruti mining quarry “Chalebi” (floodplains)
As a result of recultivation measures, 2.37 ha area will be restored that might be used both for agricultural purposes and settlement of population. The timeline for implementing recultivation activities is 2019-2022; the total cost of recultivation activities amounts to GEL 107263.

All recultivation measures indicate that “acacia forest will be planted (it is possible to plant chestnut and pine trees that improve filled ground characteristics; these species are recommended for planting on slopes in restorable areas).” Tree species to be planted are not specified, nor have threats related to planting invasive species been identified.

For special use of the state forest fund (for exploration/extraction of minerals) Georgian Manganese Ltd has concluded only one agreement with the National Forestry Agency covering the period from January 18, 2017, to November 18, 2017 (10 months). The area defined under the agreement is 126 sq. meters and it is located at #23 sq. #16 lit. of Khreiti forestry area of Chiatura-Sachkhere forestry. The company paid out 500 GEL in compensation 11.

Georgian Manganese Ltd has not implemented any compensation measures on the territory of LEPL National Forestry Agency 12.

---

12 Source: Public Information, Letter from the Ministry of Environment Protection and Agriculture # 4523/01, 06.05.2019.
Extraction of nonferrous metals in Tsalka, Tetritskaro, Dmanisi, Bolnisi and Marneuli municipalities in Kvemo Kartli

The exploration of gold-copper-barite-polymetallic ore deposits in Bolnisi region began in the 40’s of the last century. The construction of Madneuli complex for nonferrous metals began in 1959. It was used for extracting copper, barite, gold- and silver-containing quartz and polymetallic ores, initial processing of extracted copper and barite ores, enriching and selling products. The extraction of barite was stopped in 1990. In 1994, Kvartziti was created which started gold and silver recovery from stockpiled gold-containing quartzite ore, using heap leaching method.

As a result of privatization of Madneuli and Kvartsiti in 2005, the owner of the enterprise became the Stanton Equities Corporation, registered in the British Virgin Islands (offshore zone), a subsidiary company of the Russian “Promishlennkiye Investori”. In December 2007, “Promishlennkiye Investori” sold its shares in Madneuli and Kvartsiti to GeoProMining, owned by Siman Povarenkin, the chairman of the board of directors and co-owner of the “Promishlennkiye Investori”. Since 2012, the owner of the enterprises has still become a Russian company “Capital Group”. In 2012, with regard to changes in the ownership, JSC Madneuli was renamed as RMG Copper and Ltd Kvartsiti - to RMG Gold. Over time, different companies have been merged with RMG Gold and RMG Copper. LLC Caucasian Mining Group (I/C 404908775), which since 2011 (in fact, from the moment of its registration) owns the exploration and extraction license seized from JSC Madneuli, is closely linked with these companies. LLC Caucasian Mining Group owns 100% shares of LLC RMG Auramain (404908775) and 100% shares of Georgian Gold Company (405205987). Besides, the Caucasian Mining Group, together with GMC Investment limited, registered in the British Virgin Islands, owns (50% of shares) JSC Georgian Copper and Gold (405117494), registered in Georgia.

Currently, there are 6 licenses for extraction of nonferrous metals in this region, which are presented on the portals www.atlas.mepa.gov.ge and www.data.mepa.gov.ge as 8 license areas.

---

13 For more information on owners and management of RMG Gold Ltd and JSC RMG Copper and related companies: RMG – Company Profile, 2018, Green Alternative

14 The license is issued for exploration/extraction of nonferrous, noble, rare metals and barite in Bolnisi, Marneuli, Dmanisi, Tsalka and Tetritskaro municipalities. The license is issued on 187 823, 59 ha area, which is 2.7% of the total area of the country.
Figure 3. Nonferrous metal mining licenses in Kvemo Kartli

The figure shows the licenses for extraction (or exploration/extraction) of nonferrous metals in Tsalka, Dmanisi, Bolnisi, Tetritskaro and Marneuli municipalities in Kvemo Kartli. The total license area is 122,967.9 ha, the state forest fund covered by the license contour is 79,978.5 ha, forest covered area (by 2018) was 73,746.3 ha. Forest loss within a period of 2000-2018 was 278 ha. A total area of all operating licensed area quarries is 759 ha.

1. License N 1003161

License holder – Georgian Copper and Gold, I/C 405117494
Location of license area – Kvemo Kartli, Tsalka, Dmanisi and Tetritskaro municipalities
Minerals – exploration and extraction license of nonferrous, noble and less-common metals and barite
Validity of license - 12.10. 2011 – 12.10. 2041
License area – 26,587,588 hectares
State forest - 16,168.7 hectares
Forest covered area - 16,615 hectares
Current mining quarry area – 0 hectares
Forest loss within the license area (2000-2018) – 60.7 hectares
2. License N 1005314

License holder – LLC Caucasian Mining Group, I/C 404908775

Location of license area – Kvemo Kartli, Bolnisi, Dmanisi and Tetrtskaro municipalities

Minerals – exploration and extraction license of nonferrous, noble and less-common metals and barite. Extraction: Davit Gareji gold-barite-polymetallic site: silver-108,93 tones (108930kg), Barite-895191.59 tones. 120 month for exploitation on other sites.


License area – 34 683.8 hectares

State forest - 23 958,9 hectares

Forest covered area - 20 280,5 hectares

Current mining quarry area – 741,3 hectares

Forest loss within the license area (2000-2018) – 129.2 hectares
3. License N 11004600

License holder – LTD Georgia Gold Company I/C 404908775

Location of license area – Kvemo Kartli and Tetritskaro municipalities

Minerals – Ore extraction at Bnelikhevi gold-polymetallic site. Total: 10139 kg (according to data.mepa.gov.ge). At northeast part of the site – gold - 1635.07kg, silver - 8503.79kg (According to the national Agency of Mines)

Validity of license - 31.05.2017-12.10. 2041

License area - 504,7 hectares

State forest - 469.8 hectares

State forest - 434,4 hectares

Forest covered area – 0 hectares

Forest loss within the license area (2000-2018) - 3,6 hectares
4. License N 1002122

License holder – LTD RMG GOLD, I/C 225359947

Location of license area – Kvemo Kartli, Bolnisi and Dmanisi municipalities (Sakdrisi site)

Minerals – not specified

Validity of license - 21.05.2012– 01.02. 2042

License area – 193,76 hectares (according to the NAM and data.mepa.gov.ge, - 185 ha according map)

State forest - 152,5 hectares

Forest covered area - 70,1 hectares

Current mining quarry area – 64,1 hectares

Forest loss within the license area (2000-2018) – 22,6 hectares
### 5. License N 0010

License holder – LTD RMG GOLD, I/C 225359947

Location of license area – Kvemo Kartli, Bolnisi municipality (Sakdrisi site)

Minerals – geological exploration and extraction of Bolnisi sites

Validity of license - 07.04.1994 – 01.01.2020

License area – 8.8 hectares according map, 9.0 hectares according NAM

State forest - 7.4 hectares

Forest covered area - 0 hectares

Current mining quarry area – 8.8 hectares

Forest loss within the license area (2000-2018) – 0 hectares
6. License N 1005314

License holder – Caucasian Mining Group, I/C 404908775

Location of license area – Kvemo Kartli, Bolnisi municipality

Minerals – exploration and extraction license of nonferrous, noble and less-common metals and barite. Extraction: Davit Gareji gold-barite-polymetallic site: silver-108,930 tons (108930 kg), Barite-895191.59 tons. 120 months for exploitation on other sites.

Validity of license - 12.10.2011 – 13.10.2041

License area – 442.4 hectares according map

State forest – 336 hectares

Forest covered area - 341 hectares

Current mining quarry area – 0 hectares

Forest loss within the license area (2000-2018) – 0 hectares
7. License N 1005456

License holder – LCC RMG Copper, I/C 225358341

Location of license area – Kvemo Kartli, Bolnisi municipality

Minerals – according to data.mepa.gov.ge: extraction license of polymetallic ores: copper - 26815,06 tones; gold - 1691,16kg


License area – 1035,5 hectares

State forest – 427,3 hectares

Forest covered area - 354,5 hectares

Current mining quarry area –602,2 hectares

Forest loss within the license area (2000-2018) – 58,9 hectares
8. License N 1003161

License holder – LCC Georgian Copper and Gold, I/C 405117494
Location of license area – Kvemo Kartli, Dmanisi, Bolnisi and Marneuli municipalities
Minerals – exploitation and extraction of nonferrous, noble and less-common metals
Validity of license - 12.10.2011-12.10.2041
License area – 59520,081 hectares, 59520,2 hectares according to the map
State forest – 39 356,9 hectares
Forest covered area - 36328 hectares
Current mining quarry area - 0,5 hectares
Forest loss within the license area (2000-2018) – 75,3 hectares
Companies involved in the extraction of nonferrous metals in Kvemo Kartli have implemented several compensation measures on the territory of LEPL National Forestry Agency. These measures cover approximately 117.8 ha of forest fund.

Nonferrous metal mining licensees operating in this region have signed 40 agreements with the LEPL National Forestry Agency on special-use of state forest fund. In total, these agreements include 44.97477.39 ha of forest fund; according to these agreements, the total compensation amount is GEL 2 828 797.75; as of May 6, 2019, GEL 2357983.43 was paid out.\(^\text{15}\)

\(^{15}\) Source: Public Information, Letter from the Ministry of Environment Protection and Agriculture #4523/01, 06.05.2019