



Hidden treasures in nomadic lands

For thousands of years Central Asia has been the battleground for warring hordes and was dominated by nomadic tribes until the 16th century when firearms drastically changed the balance of power. **By Ron Berryman**

Sometimes known as Middle Asia, the five central nations of Kazakhstan, Turkmenistan, Uzbekistan, Kyrgyzstan and Tajikistan have a long and vibrant history.

A land of conflicts, the history has involved armies from Persia, China, Turkey, Arabia, Mongolia, Afghanistan and Russia, dating back thousands of years.

The relationship between the steppe nomads and the settled people in and around Central Asia has always been marked by conflict, with the nomadic lifestyle well suited to warfare; and the steppe horse riders became some of the most militarily potent people in the world.

With a known history dating back to 2000 BC, it is little wonder that Samarkand, a city in Uzbekistan, has already celebrated its 2500th anniversary.

Over several millennia the Silk Road has brought traders to Central Asia and the region's location on the vast interior Eurasian steppe has not only been a convenient trading route, but also a continual invitation to empire-seeking armies and nomadic hordes.

The region, through its central location and proximity to historical seats of power, has constantly been torn apart by cultural, political and



back

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religious differences both within and with its neighbours.

Bordered by Russia, China, Siberia and Afghanistan's Hindu Kush mountains, it has struggled to become a force in trade.

The main natural features of the region include the highest ridges of the Pamirs, the Tien Shan and the Altai, vast deserts and steppes, large Asian rivers such as the Amu-Daria, the Syr-Daria, the Irtysh and the Ily, the Caspian Sea, the Aral Sea and a range of lakes.

Situated in the southern part of the former Soviet Union, the five countries have a total area of almost 4 million square kilometres and a population of more than 55 million.

Central Asia came under Russian control in the second half of the 19th century before being incorporated into the Soviet Union after the Russian Revolution, a turbulent arrangement which lasted until 1991.

Some 200 years ago Russian and British forces were involved in a diplomatic tussle for political influence in Central Asia in what Rudyard Kipling referred to as "The Great Game".

Today's game still has Russia as a principal player, but China has taken the vacant seat at the table to not only enjoy the spoils as a major trading partner, but also to have

a say in the distribution of the region's energy sectors.

The region has significant hydrocarbon and mineral reserves, while oil, gas, hydropower and strategic metals have suddenly made it the focus of attention for the world's explorers and miners.

Natural resources include oil, natural gas, coal, iron ore, manganese, chrome, nickel, cobalt, uranium, copper and gold, whilst agricultural products include livestock and grains.

Starting from a low base, government reforms and privatisation efforts initiated since the mid-1990s have resulted in double-digit economic growth since 2002.

The region has become increasingly attractive in recent years for foreign resource companies with a number of major and minor players chasing the region's hidden treasures.

The China National Petroleum Company completed China's biggest foreign acquisition in 2005 when it took over PetroKazakhstan for \$US4.2 billion and has since been involved in the construction of several gas pipelines – one more than 6000km in length – across Kazakhstan to northwest China.

In July the Chinese Zijin Mining Group bought 75% of Tajikistan's Zerafshan Gold Company from a British mining company.

UK company Aurum Mining acquired a licence to the Andash exploration area in northern Kyrgyz in January 2005 and has since advanced Zone 1 to a proven and probable reserve of 1.1 million ounces of gold and gold equivalent in copper.

Celtic Resources Holdings has three operating mines: the Suzdal and Zherek gold mines and the Shorskoye molybdenum mine in Kazakhstan.

European Minerals is developing an open pit mine at the Varvarinskoye gold-copper deposit in northern Kazakhstan with independently assessed proven and probable reserves of 2.2Moz of gold and 254 million pounds of copper. The Varvarinskoye project shows strong project economics with an initial mine life of 17 years.

Frontier Mining has one producing gold mine at Naimanjal, one pre-feasibility stage gold project at Koskuduk and one exploration stage gold prospect at Baltemir.

Central Asia Resources has a number of projects in Kazakhstan headed by its Uenke Bulak gold project, where it is currently testing for the most efficient process of gold and silver extraction. Central Asia Gold Limited, through a subsidiary, has a 66.6% interest in the Taldy Bulak joint venture in Kyrgyzstan with Kyrgyzaltyn Open Joint Stock Company, a state-owned company.

Taldy Bulak is located 120km east of Bishkek in northern Kyrgyzstan.

Diversified resources company Kentor Gold has gold and geothermal energy assets in the Kyrgyz Republic in Central Asia as well as uranium exploration licences in Australia.

Kryso Resources is exploring in the Pakrut licence area in Tajikistan comprising the Pakrut gold deposit and the surrounding 6300 hectare exploration area located in the metalliferous southern Tien Shan Fold Belt.

Another mining company operating in the Tien Shan belt is Oxus Gold, which is currently producing gold and silver from its 50% stake in the Amantaytau Goldfields JV, located in the Kyzylkum region of Uzbekistan.

The Tien Shan belt is one of the world's largest areas of gold endowment, second only in size to that of the Witwatersrand Basin, and Amantaytau is just 40km south of the world's largest single open pit gold mine at Muruntau.



back



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RESOURCESTOCKS | february 2008 25