

The deposit is located in Southern part of Lugansk region, within 20 km distance from the town of Sverdlovsk.

The fossil fuel is represented by intensely metamorphosed anthracite (code 100 according to International Classification) of Medium Carboniferous age. The coal bed is 20" inclined, and has a simple structure with thickness ranging from 1.07 to 1.75 m.

Anthracite quality is characterized by the content of: ash 10.2-12.4%, sulphur 0.8-0.9%, moisture 5-6%, v_{d} 2--3%, maximum calorific value 33.9-34.9 MJ/kg, minimum CV 29.5 MJ/kg, vitrinite reflectance factor in immersion 5.6. The coal is easily dressed.

Nominal reserves have been calculated from outcrop to 300 m depth over the area of 10.2 square km (6X1.7 km) and account for 15 million tons. They may be extended.'

Hydrogeological and mining conditions are favourable. Predicted water inflow is estimated at 100 cubic meters per hour with 2 g/dm³ salinization of mining waters. Immediate top rocks are characterized by medium stability, whereas rocks of basic roof are partly collapsible. Anthracites and host rocks bear no gases and present no danger of blowout.

The coals may be used as high quality energy and heating fuel. They are also well suited for manufacturing electrode and casting thermoanthracite and electrocorundum.

Secondary raw material, i.e. mining wastes and beneficiation tailings are well suited for manufacturing bricks and agglomerate.

The deposit is located in densely populated industrial Donets basin area with developed infrastructure, within 10 km distance from a railway station and 3 km distance from a motorway. Electric power transmission line crosses the deposit. Issues of labour employment and water supply can be easily solved on the spot.

Underground mining, waste recycling, utilization of mining waters for production purposes with their subsequent purification will not cause any environmental disruption.

Engineering feasibility and economic evaluation outline recommend:

- underground mining with 150-300 thousand tons annual production of coal;
- construction of a beneficiation plant and of a brick manufacturing plant with 15-20 million pieces of brick annual production.

An estimated annual revenue generated by the above mentioned complex may reach 3 million US dollars, payout period is evaluated at 3-4 years, expected life of the deposit totals 50 years.

Foreign partners are expected to provide modern equipment for constructing and exploiting the mine, beneficiation plant and brick manufacturing plant.

Cost-effectiveness of a joint venture is guaranteed by high quality of raw material, high demand on domestic and world market and favourable mining and geographic conditions.