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April 17th, 1948.

NOTESONALLATINI MINES LTD.PRODUCERS OF YUGOSLAVIAN CHROME ORE

LOCATION: The Allatini Mines are located near Orasje, 20 kilometers northwest of Skoplje, as may be seen on the photostat copies of certain portions of Yugoslavian maps in my files, which I attach herewith. The mines were originally open cut but are now underground. The principal mines in this area are, Orasje, Gorence, Nada, Stankovac and Grmenik.

CONCENTRATOR: The concentrator is at Radusa and appears to be capable of treating roughly 4000 tons of crude a month.

The three grades of ore produced are lump ore, grained ore and concentrates. The crude to the concentrator averages between 25 and 28%  $Cr_2O_3$ . The ratio of concentration ranges between 2.4 and 3 to 1.

GRADES OF FINISHED ORE: The following are typical analyses of Yugoslavian lump ore and concentrates based upon actual full cargo arrivals in this country:

	<u><math>Cr_2O_3</math></u>	<u>Fe</u>	<u><math>SiO_2</math></u>	<u>Cr:Fe</u>
Lump	51.57	10.95	5.43	3.2:1
Concentrates	49.54	11.05	6.38	3.07:1

Yugoslavian Ore is one of the most popular ores in the Metallurgical Trade and has always commanded a premium over other Metallurgical Chrome Ores. It is of particular use in the manufacture of high-grade, low-carbon, ferro-chrome. In normal times most of the output was consumed in Scandinavia. American official statistics of imports do not indicate the true facts as to the imports of Yugoslavian Ore here. The ore is shipped from Saloniki in Greece and is given a Grecian origin despite the fact that it is Yugoslavian. However, the actual shipments of

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Yugoslavian Ore to the United States in recent years have only been in the neighborhood of 4,000 to 5,000 tons annually despite an active demand for this material.

The official Government statistics for showing the Yugoslavian production are misleading since they include crude ore rather than the concentrates therefrom. The Allatini productive capacity may be taken as amounting to 15,000 tons of high-grade lump and a like quantity of concentrates annually, making a total of 30,000 tons. However, a short time prior to the fall of Yugoslavia a new and believed to be important deposit was discovered, of considerably higher grade than usual, so that perhaps the Yugoslavian production under German direction will be considerably increased. In any event, even the 30,000 ton annual output of the beautiful high-grade Metallurgical Ore would be a very, very valuable addition to Germany's sources of strategic minerals, particularly if Turkey continues to withhold Metallurgical Ore from sale to Germany.

The manager of the Allatini Mines prior to the fall of Yugoslavia was an Englishman, J. C. Morgan. When it was evident that Yugoslavia was to be invaded, he flooded the Nade Mine and the other mine workings and attempted to demolish the concentrator, but was prevented from doing so by the local inhabitants. However, it is thought that Yugoslavian planes bombed the concentrator shortly afterwards.

Mr. Morgan was taken prisoner by the Germans. He eventually escaped and after seven weeks in enemy occupied territory, was able to board a Greek boat for Smyrna, Turkey, and we understand eventually joined the British forces in Egypt.

The Allatini mill was constructed by the Germans so that they are entirely familiar with the operation. The mine workings are shallow so that

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available. 25X1X7

[REDACTED]

25X1X7

Respectfully submitted,

25X1X6

[REDACTED]

EX:RDD