

LUKoil to Open Diamond Mine this Summer, May Sell to Alrosa

By [The Moscow Times](#)

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Privately-owned Russian oil company LUKoil will enter the diamond mining business this summer, the company's CEO said.

LUKoil chief Vagit Alekperov told journalists on the sidelines of the St. Petersburg International Economic Forum Friday that his company would open a diamond mine in Russia's Arkhangelsk region in June, with the hopes of delivering its first diamonds to the market in August or September, Interfax reported.

Having invested \$1 billion in the mine, Alekperov said LUKoil was willing to sell it to Alrosa — Russia's largest diamond producer.

Alrosa has expressed interest in buying the LUKoil mine, which has total diamond reserves of 98.5 million karats valued at \$11 billion, Interfax said, and a payback period on investment of 7 to 8 years.

"I have always stressed that [diamond mining] is not our core business," Alekperov said. "We are ready to consider a purchase proposal from Alrosa."

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