

multi-jurisdictional offer of 3.8 million Namco shares, raising gross proceeds of C\$20.8 million to finance the final production stage.

## New Caledonia smelter study

The results of an independent study into the construction of a new nickel smelter in northern New Caledonia will be submitted to the French Government next week. The proposed smelter has been the focus of a bitter dispute between the government and Eramet because the latter would be required to relinquish part of its nickel reserves on the island to provide feed for the smelter. The smelter would be a joint venture between Canadian nickel producer Falconbridge, and local company Société Minière de Sud Pacifique.

The French Government is the majority owner of Eramet, with 55%, and the smelter project is seen as politically inspired, - a project between a non-French nickel producer, and the Kanak indigenous people - ahead of next year's referendum on independence for the small Pacific territory.

## Titan acquisition

Australia's Titan Resources has agreed with Resolute Ltd to acquire the Radio Hill nickel-copper project in Western Australia for A\$12 million. Titan will acquire the project and the surrounding tenements for A\$6 million in cash and 12.5 million new fully-paid shares at A\$0.20 each and A\$3.5 million in convertible shares. The project has a measured and indicated resource of 1.128 Mt of massive sulphides at a grade of 2.47% Ni, 1.71% Cu and 0.12% Co. Titan expects to bring the project into production by the middle of 1998. It is expected to produce 3,960 t/y of nickel, 2,680 t/y copper and 200 t/y of cobalt in concentrate.

The first phase of the project is expected to cost A\$5.5 million and will include the cost of upgrading the existing concentrator to treat 200,000 t/y. Radio Hill was originally commissioned by AGIP Australia in 1991 before being placed on care and maintenance in the following year because of the low nickel price.

## Siberian gold tender

Fifteen gold deposits in Siberia are to be put up for tender. According to Russia's *Novaya Gazeta-Ponedelnik* newspaper, the hard-rock and placer deposits are in the Bodaybinsky and Mamsko-Chuyskiy districts of the Irkutsk region. The deposits are said to host significant gold reserves including those of the Bolshoy Chanchik deposit which contains 5.5 t of gold.

The successful bids will depend on a number of factors, including the size of the planned investment, environmental impact and participation in the region's social

development. Successful bidders will receive 20-year mining leases.

## Moroccan sands

Spain's Agrupacion Minera de Investigaciones SA (AMINSA) has signed an accord with Morocco's state-owned miner, Bureau de Recherches et de Participations Minières (BRPM), to develop zircon-bearing mineral sands. Under the terms of the agreement, AMINSA will invest US\$9.2 million in the development of an operation near the city of Guelmin on Morocco's Atlantic coast.

## Production

### Trail's tribulations

Cominco is experiencing start-up problems with its new lead smelter at Trail in British Columbia. The company says that the problems are mechanical and that it expects to install new equipment by the end of September. A Cominco spokesman, Richard Fish, emphasised that there were no problems with the Kivcet smelting process which is working well. Currently the smelter is operating at 50% capacity and has not set a date by which it will operate at full capacity.

At Trail, Cominco operates an integrated lead smelter and zinc refining complex which produces zinc, lead, silver, gold and indium. Mr Fish said that the company's indium production has been adversely affected by the problems at Trail but said that it did not normally give an indium production figure. In recent weeks, the price of indium has risen (*MJ*, September 5, p.201) as demand from Japanese electronics manufacturers has risen and Chinese stocks have been reduced.

### BHP redundancies

BHP plans to cut 800 jobs from its Illawarra coal mines in eastern Australia over the next three years. The company says that the job cuts are necessary to make the mines viable and to reach the productivity benchmark of 10,000 t of coal per worker per year.

Under the first stage of the programme, 160 jobs will be shed through a voluntary redundancy scheme. BHP is still negotiating with unions on how the remaining job cuts will be made, and says that it expects to achieve them through natural attrition, redeployment and further voluntary redundancies.

### Georgian success for Glencore

Swiss metal trader Glencore International has won a tender for the right to invest in the Madneuli copper complex in Georgia. Shota

Rekhvishvili, an official at Georgia's State Property Ministry, said that under the terms of the agreement, Glencore will have the exclusive right to market the operation's output for five years. In addition, the company has agreed to invest a minimum of US\$10 million in the operation over three years.

Glencore is said to be planning to invest US\$4.5 million in 1998, US\$2.5 million in 1999 and US\$3 million in 2000. The investments are designed to increase the operation's annual ore throughput from 150,000 t in 1996, to 900,000 t in 1998 and 1 Mt in 2000. According to *Mining Annual Review*, Madneuli produced 6,000 t of copper concentrate in 1996.

### UK coal producers call for review

UK coal producers have called for a government review of energy policy, because they claim that new gas-fired power stations are proving more expensive than the coal-fired ones they are replacing. A spokesman for the Confederation of United Kingdom Coal Producers (CUKCP) said that the UK coal industry is being treated unfairly. Since the former Conservative government's decision to increase the use of gas in power generation, its market share has risen from zero in 1990 to one third at present. CUKCP claims that the increased use of gas has forced the closure of 50 coal mines and the loss of 30,000 jobs, and argues that unless there is a change of government policy there will be more job losses.

The decision to increase the use of gas in power generation was taken because the fuel was thought to provide cheaper electricity. However, using data from a recent report produced by the electricity regulator, CUKCP claims that coal is the cheaper fuel.

### Westmin agreement

A brief two-day strike at Westmin Resources' Myra-Falls zinc mine on Vancouver Island was halted last week after miners agreed to accept a new three-year contract. According to the company, 89% of union members at the mine voted to accept the agreement which included an annual 1.5% wage increase together with pension improvements.

Westmin said that the two-day stoppage had a minimal impact on the mine which produces about 3,600 t/d of ore. In 1997, the operation is expected to produce about 130,000 t of zinc concentrate and 65,000 t of copper concentrate.

### Call for government intervention

A delegation from the UK's last tin mine, at South Crofty, has met with officials from the Department of Trade and Industry in a bid to prevent the mine's closure (*MJ*,

August 15, p.135). The delegation, led by South Crofty's managing director, David Giddings, hopes to secure government help to keep the mine open in an area of high unemployment. One possibility may be a regional selective assistance grant which is designed to help small businesses in depressed areas of the UK.

If no rescue plan is agreed, it is likely that the mine will close with the loss of 270 jobs within six months.

### South African agreement ratified

The South African National Union of Mineworkers and Chamber of Mines have formally signed the two-year productivity-linked wage agreement announced earlier in the year (*MJ*, July 18, p.41), following ratification of the basic terms at mine level. The agreement allows for wage increases of between 9 and 25% in return for changes in working practices that are designed to achieve a total increase in South African gold output of 90 t. Some 70% of the affected workforce have so far agreed to the changes.

### Tsumeb closed until end of year

Goldfields Namibia does not expect production at its Tsumeb lead smelter to restart until the end of the year. According to the financial manager, Jan du Plessis, the smelter has been shut for a month because of refractory failures. Since the smelter resumed operations in March it has experienced two such failures, and the company has therefore decided to investigate all possible causes before it rebuilds the smelter lining.

Mr du Plessis said that operations at the Tsumeb copper smelter were normal with operations at full capacity. In 1996 the smelting operations at Tsumeb produced 30,000 t of blister copper and 27,000 t of lead.

### Cambior award

Cambior USA Inc. has received a Health of the Land Award from the US Bureau of Land Management. The award recognises individuals and groups that have made use of federally-managed lands, and then restored them to their natural state.

Cambior's restoration work was on the Valdez Creek gold placer in Alaska, which was operated by the company as an alluvial operation between 1987 and 1995. Valdez Creek produced a total of 386,000 oz of gold and, following its closure, became the target of a US\$2 million programme by Cambior.

The company reclaimed the 240 ha site by infilling, landscaping and reseeded the waste dump, flooding the open-pit mine to create a lake over 1 km long, and recontouring the creek bed to follow its original course.

## Meet

The follow recently-arr meetings s months th *Mining Jo* during Sep previous is and a full: visiting the http://www

■ Septem International Salzburg, / Developm Weymouth 3LQ, UK. Fax: 493 1

■ Septemb Africa's Eco London, U African Soc Street, East WC1H 0XG 6253. Fax:

■ Septemb international Janeiro, Br Diniz, EM Diogo Mori Sao Paulo, S 814 5022. F

■ October 1 Kazakhstan I Exhibition, Details: ITJ Road, Lond (+44 171) 30 E-mail: mar Group.com

■ October 4 Prospects an Evaluating C Kingston, C Metier, Sem Donald Gor University, I 3N6. Canada Fax: 545 291

■ October 6 Metal Institu Denver, US. Tighman St Allentown, P 9137, US. Te Fax: 395 585; ipmi@pond.c

■ October 7-3 Diamond Con Australia. De Conference, I Ltd, PO Box Western Aust Tel: (+61 9) 3

■ October 7-1 International Symposium, N Processing of Technology, E Russia. Detail Exhibition Di 199004, St Pet (+7 812) 355 7

E-mail root@r ■ October 9-10 World Mining Conference, Va

888926

during the operation of the old lead smelter and during the Kivcet start-up period. The project has a quick payback period as the slag contains significant zinc and other metal values. The furnace was started up in the first week of February 2000.

The Kivcet lead smelter and its associated slag-fuming furnace will continue to process the current output of higher-value zinc plant residues and will ultimately consume the 475,000 tonnes of residues that are stockpiled at Trail.

Utilizing Cominco's research, product technology and business development expertise, Trail Operations and the Cominco Marketing and Sales group are pursuing several opportunities to increase the production of high-value specialty metal products.

A new two-year collective agreement was negotiated with two locals of the United Steelworkers at Trail, resulting in improved wages and pension provisions for employees.

Trail contributed \$71 million to Cominco's operating profit in 1999 compared with \$30 million in 1998.

**TRAIL**

	1999	1998
<b>Zinc (tonnes)</b>	<b>288,700</b>	<b>274,300</b>
<b>Lead (tonnes)</b>	<b>75,700</b>	<b>63,900</b>
<b>Silver (kilograms)</b>	<b>354,100</b>	<b>379,900</b>
<i>(ounces)</i>	<b>11,382,400</b>	<b>12,215,000</b>
<b>Gold (kilograms)</b>	<b>1,440</b>	<b>2,662</b>
<i>(ounces)</i>	<b>46,300</b>	<b>85,600</b>
<b>Sulphur (tonnes)</b>	<b>35,000</b>	<b>34,600</b>
<b>Sulphur dioxide (tonnes)</b>	<b>52,400</b>	<b>48,800</b>
<b>Sulphuric acid (tonnes)</b>	<b>360,200</b>	<b>354,900</b>
<b>Fertilizers (tonnes)</b>	<b>240,700</b>	<b>273,000</b>
<b>Employees at year-end</b>	<b>1,872</b>	<b>1,884</b>

