



Minsur ramping up Brazil rare earths output: CEO

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Peruvian miner Minsur will ramp up output of niobium and tantalum at its Pitinga mine in Brazil this quarter after completing an expansion project, CEO Juan Luis Kruger said Tuesday.

The mine's new flotation plant will boost production capacity at the mine by 75% to 3,500 mt/year, Kruger said on a conference call. The company also completed repair work at the mine's hydroelectric plant in the third quarter, Kruger said.

The company also expects to begin engineering studies for its \$1.3 billion-\$1.5 billion Mina Justa copper project in Peru in the third quarter of 2017 after completing a feasibility study, he said.

Mina Justa is expected to produce 150,000 mt/year of copper over the first five years and 90,000 mt/year over the 16-year life of the mine at cash costs of \$1.65/lb.

Total tin output from Minsur's mines in Peru and Brazil rose 23% to 6,924 mt in the third quarter, according to the company's consolidated earnings statement. Gold production at the Pucamarca mine in Peru fell 25% to 24,956 oz, while niobium-tantalum output at Pitinga climbed 1% to 454 mt.

The company cut its 2016 production guidance to 19,000-19,500 mt of tin at its San Rafael mine in Peru, down from earlier projections of 20,000-21,000 mt due to declining ore grades. Pitinga remains on track to produce 6,000-7,000 mt of tin and 2,000-2,200 mt of niobium-tantalum, while Pucamarca is expected to produce 95,000-105,000 oz of gold this year, according to the company.

Minsur posted a \$10.6 million consolidated third-quarter profit compared with a \$27 million loss a year earlier, as sales rose 19% to \$163.8 million and the company cut cash costs by 12% to \$7,569/mt of tin.