
Toledo Mining to contest BHPB demurrage claim on Berong Nickel

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Toledo Mining said that diversified miner BHP Billiton had lodged a claim for demurrage, after bad weather delayed a shipment of ore from the Berong mine in the Philippines to the Yabulu refinery in Australia.

However, Toledo said that the demurrage amount was being contested by Berong Nickel Corporation, which had declared a force majeure during the ship loading. Toledo said that even taking into account BHP's claim, the ore shipment was still cash positive to Berong.

The third shipment from the mine on the Palawan Island was shipped on August 11th and contained 48,108 tonnes of ore, at 15% nickel, and 30% iron.

Berong has now completed the shipment of stockpile material, which meets the BHP specification. About 150,000 wet metric tons of ore remain on the stockpile at Berong for which Toledo continued to seek customers.

The contract between Berong and BHP calls for a minimum shipment of 300, 000 wet metric tons a year to the Yabulu refinery in Queensland. So far this year, only about half of this contracted amount has been taken.

BHP plans to sell its Yabulu refinery to a group of companies owned by Mr Clive Palmer. Toledo said that the consequences of the sale for the timing of future shipments from Berong to Yabulu were under discussion.

(Sourced from www.miningweekly.com)

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