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## Munali Nickel delays restart of underground operations

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Post Zambia reported that Munali Nickel Mine has delayed resumption of underground production after shareholders approved the refinancing deal with Jinchuan Group of China.

Mr Shaun Vokes said yesterday care and maintenance manager of Munali Nickel in an interview said that the mine, which was set to resume output this month would start with underground production next month while the processing plant for nickel was scheduled to start operations in January next year.

He told that "The processing plant is going to restart in January while the underground operations recommences in December. We obviously have to allow the contractor to mobilise the site."

He said the shareholders meeting on October 30 approved the new financing arrangement to deal with the mine's external creditors which allowed the company to be taken over by Jinchuan Group. He said "Basically what that meeting did was to approve the financing transaction with Jinchuan."

Mr Vokes said the Jinchuan Group was now trying to arrange finance for working capital before resuming operations at the mine.

Albidon suspended operations at the mine following a fall in metals prices, which it said had made operations unsustainable. The mine closed in the first quarter of this year at the height of the global economic recession which depressed the commodity prices.

Ore production at Munali in the first two months of 2009 was 74,000 tonnes, below the forecast 87,000 tonnes, mainly due to a lack of equipment and lower grades.

(Sourced from [postzambia.com](http://postzambia.com))

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