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## **Codelco to grow molybdenum output by 22% until 2012**

*Thursday, 18 Sep, 2008*

In the world of base metals, molybdenum has traditionally been considered simply a byproduct of copper. But with the boom of the steel market, this alloying metal has seen unprecedented growth in its demand and prices in recent years.

The consequence has been that the world's largest copper producers recently have been placing a strong emphasis on their molybdenum production as a byproduct, and some even to the point of declaring negative cash costs thanks to rising molybdenum prices.

Meanwhile, other companies such as US producer Freeport McMoRan Copper & Gold for the first time are starting operations that produce molybdenum exclusively.

Mr Víctor Pérez marketing director for Codelco said that Codelco's molybdenum production will grow roughly 22% from now until 2012 and will allow the company to remain the world's leading producer that declares the metal as a byproduct. In overall terms, Codelco is the second largest molybdenum producer. He added that "Codelco has projects for all of its mining divisions to increase its molybdenum production."

Molybdenum is used as an alloying agent within several categories of steel products, such as stainless steels and special steel products. It adds strength and durability, and is also an anticorrosive ingredient in steels. Therefore, it allows steel to comply with various technical specifications that permit it to be used in a number of infrastructural units such as buildings, bridges, pipelines, etc. It also is used in the petrochemicals industry.

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