
CAPEX cuts - Mines and plants hit by low prices and high costs

Wednesday, 21 Jan, 2009

Reuters has provided an update on the global financial crisis and sharp falls in metals prices that have forced several companies to abandon or put on hold their plans to bring new mines on stream.

Some existing producers also have shut down or curtailed output at mines and plants as high costs and low prices bite. Below are details of major projects and facilities affected in recent months, as well as other related news.

January 19th 2009 - BHP Billiton may be about to close a big nickel mine in Australia and probably has already trimmed output of most other commodities with the exception of oil and iron ore.

January 16th 2009 - Norsk Hydro will cut primary aluminium output at its Neuss smelter in Germany by 30,000 tonnes by end January 2009.

January 15th 2009 - Alumina Partners of Jamaica said it will cut production by 50% and lay off staff.

January 15th 2009 - Rio Tinto said it had curtailed about 5% of aluminium smelter capacity at end of Q4 2008.

January 14th 2009 - Antofagasta Plc said will close its small Lince copper mine in Chile.

January 14th 2009 - Mexican silver miner Fresnillo Plc said it would trim capital expenditure this year by about 8%.

Jan 13 - Mitsubishi Materials Corporation said will cut copper production by 10% from February 2009.

January 13th 2009 - Rio Tinto said has shelved a plan to extend its Northparkes copper mine in Australia as it slashes capital spending.

January 13th 2009 - Oz Minerals Limited said it would put the Scuddles mine at its Golden Grove project on care and maintenance, resulting in about a 25,000 tonnes cut in zinc output in 2009.

January 13th 2009 - Xstrata said it is restructuring lead zinc operations at its Mt Isa mining and processing complex in Queensland, Australia. Handlebar zinc-lead mine also to be mothballed from February 12th 2009.

January 12th 2009 - Monterrigo Metals said it is re evaluating timetable for developing Rio Blanco copper project in Peru.

January 12th 2009 - Tajikistan reduced aluminium output 4.7% last year and will cut it by 5.0% this year.

January 9th 2009 - HudBay Minerals Inc said it will suspend operations at Chisel North zinc mine and Snow Lake concentrator in Manitoba.

January 9th 2009 - Rio Tinto has all but halted its USD 2.5 billion expansion of the Kitimat aluminium smelter in British Columbia.

(Sourced from Reuters)

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