

---

## Update on Zamfara steel project

*Friday, 17 Apr, 2009*

No time has a government project become so much an issue of discussion in Zamfara State as the on going construction of the multi billion naira Integrated Steel Mill and Solid Minerals Processing Factory located near Gusau.

For the promoters of the project, especially the Zamfara State governments, seeing it to fruition will some what marks the beginning of the state's much desired and much talked about industrial revolution. Already, arrangements have been concluded to invite President Mr Umaru Musa Yar'Adua to formally lay the foundation stone for the project.

The total cost of the project is NGN 20 billion, with the first phase costing about NGN 4 billion. It will come on stream this year and will consist of construction of solid minerals and steel mill processing factory.

The project, according to the promoters, is run under the Public Private Partnership between the Zamfara State Government and Sinostar International Nigeria Ltd on a ratio of 45:55 basis. Another company involved in the project includes the Hong Kong based South East Asia Investment Limited.

Mr Deng Bowen the project manager, said when completed, the mill will process copper, tin, gold, wolfromite and iron which are commonly available in the state for export. He said the second phase, expected to come on stream in May next year, will involve the construction of production lines that will provide raw materials to the steel plant to produce billets and iron ore for outright sell to the public and steel rolling mills within and outside the country.

According to him, the two phases of the project is expected to cost N30b on completion. The entire project will be financed from equity and bank loans based on cash flow from the project by overseas banks. He said about 3,000 direct jobs will be created by the factory with the mining sector of the project expected to employ the bulk of the labor force.

Mr Mahmud Aliyu Shinkafi Governor of Zamfara State said that his government decided to establish the factory after the discovery of large deposits of iron ore in Zurmi, Talata Mafara, Anka and Shinkafi local government areas. He added that "We want to diversify our revenue base as well as strive to meet President Umaru Musa Yar'Adua's seven point agenda. The potential of those solid mineral deposits is enough to bail our state out of the doldrums. We will do everything possible to develop the state and improve the welfare of our citizens."

(Sourced from [www.allafrica.com](http://www.allafrica.com))

For more news visit at [www.steelguru.com](http://www.steelguru.com)