



South32 Warns Job Cuts at Worsley Alumina Refinery

South32 has warned of job losses at its Worsley alumina operation in the South West after announcing big staffing cuts at its South African manganese operation and flagging a write down of \$US1.7 billion.

The BHP spin-off employs about 1800 workers at its bauxite mine near Boddington, its alumina refinery near Collie and port operations at Bunbury. The Perth-headquartered company's Worsley operation is one of the largest and lowest-cost alumina refineries in the world. But sagging commodity prices have forced the company to review its activities worldwide.

"Our teams are currently finalising plans that will deliver a meaningful reduction in costs at Illawarra Metallurgical Coal (NSW), Cerro Matoso (Colombia), Worsley Alumina (WA) and Australia Manganese (NT and Tas)," South32 said in a statement. These initiatives are expected to result in a substantial reduction in employee numbers



during the remainder of full-year 2016 and will be detailed in our December 2015 half-year financial results."

South32 announced immediate job cuts of 620 at its South African manganese operations, because of plunging prices for the

commodity. South32 chief executive Graham Kerr said, "The completion of the South Africa manganese strategic review was important for the company as it would allow it to re-base manganese ore production at a significantly lower level while reducing Rand-denominated mine gate costs by a commensurate amount."

"When combined with the restructuring initiatives that are currently being finalized at many operations across our portfolio, we expect to further strengthen our financial position and increase our cash generating capacity through the cycle," he said.

"We will continue to focus on the things that we can control; safety, volume, costs and capital expenditure, as we seek to optimize the performance of our operations. This strategy to maximize value rather than volume, our high quality operations and well-defined financial policies underpin our resilience at current commodity prices and we remain exceptionally well positioned for any improvement in industry fundamentals.

"We are, however, not immune to external influences and the significant change in the outlook for commodity prices is expected to result in non-cash charges of approximately \$US1.7 billion when we report our December 2015 half year financial results."

In October, Mr. Kerr promised to slash South32's \$US130 million corporate overheads by 25 per cent and hinted the global miner would shelve more production in response to commodity price falls. Investors welcomed news of the job cuts, sending South32 shares were up 15 cents, or 15.79 per cent, to \$1.08 shortly before the close.

Better Sorting Means Better Recycling - Hydro



Perfect recycling management means the complete recycling of a product at the end of its use phase, with the creation of a new product from the individual components. In order to turn this vision into reality, it is necessary to separate products as finely as possible into their single components. Then the resulting materials can be reused by type, observed spokesperson of the Hydro Aluminium Recycling Deutschland GmbH.

As far as the recycling of aluminium window frames is concerned, the Hydro Aluminium Recycling Deutschland GmbH has taken another step closer to the perfect materials cycle, as the VDI Center for Resource Efficiency shows in its new film: Following a precise analysis of the shredded

aluminium parts, a new shredding plant separates the individual alloys so accurately that the recycled aluminium can be returned to the materials cycle.

Since aluminium is used in a multitude of different alloys, proper sorting into clear fractions is essential for comprehensive recycling. Therefore, the shredding plant uses special x-ray equipment and different screening methods.

The metal separation by fractions enables the recycling of 30,000 tons of high-quality aluminium per year and a reduction of CO2 emissions by more than 200,000 tons. This key technology was funded within the framework of the Environmental Innovation Programme of the Federal Ministry of Research and Development.