



Low copper prices force Codelco to revise underground expansion of Chuquicamata mine



Chile's Codelco, the world's top copper producer plans to introduce key changes to one of its flagship projects the much-needed underground expansion of its century-old Chuquicamata mine as lower metal prices call for higher efficiencies.

The modifications, filed last week, aim mostly at simplifying some aspects of the project originally approved in 2010 to optimize mineral handling, local newspaper La Tercera reported (in Spanish).

Codelco said in documents filed with the country's environmental watchdog (SEA for its initials in Spanish) that "Codelco's new plan involves mining in just three underground levels instead of the four originally planned. Given that its [original] design, construction and operation were conceived under different market conditions, it is necessary to carry out modifications to the original project, with the goal of managing the risk of losing value and maintaining the exploitation process (block caving)."

The state owned miner, which faces what its chief executive Nelson Pizarro

recently called its "worst crisis ever" since created in 1976, will now mine in just three underground levels instead of the original four planned.

Codelco said that the new project, which will require a USD 1.4 billion investment, won't affect planned production or expected life of the mine.

Taking Chuquicamata underground is one Codelco's most important projects included an ambitious investment plan, originally pegged at USD 25 billion (now sitting at about USD 18 billion), aimed at upgrading the company's aging mines and dealing with dwindling ore grades.

The copper giant is expected to spend a total of USD 4 billion in the underground expansion, to be completed in 2019, and which will allow Chuquicamata to remain in operations. Once at full tilt, by 2025, the mine is expected to produce 1.7 million tonnes of the red metal a year.

Codelco generates around a tenth of the global copper supply and it has been one of the main forces behind Chile's transition from one of Latin America's poorest countries to one of the richest over the past 40 years.

Lead market records deficit in January to March 2017 - WBMS



World Bureau of Metal Statistics (WBMS) announced that the lead market was in deficit by 104 kt in January to March 2017 which follows a deficit of 171 kt recorded in the whole of 2016.

Total stocks at the end of March were 20.2 kt higher than at the end of 2016. No allowance is made in the consumption calculation for unreported stock changes.

World refined production during January to March 2017 from both primary and secondary sources was 2965 kt which was 13.6 per cent higher than in the comparable months of 2016. Global demand was 416 kt higher. Apparent consumption in China totaled 1306 kt of lead in January to March 2017 which was 330 kt above the comparable period in 2016 and represented almost 43 percent of the global total. For the USA, apparent demand has increased by 100 kt for January to March 2017 compared to the first three months of 2016.

In March 2017, refined lead production was 1005.7 kt and consumption was 1054.3 kt.

Hindustan Copper proposes plant to make copper cathode

Hindustan Copper Ltd said that capacity of proposed plant to make copper cathode from sulphide copper concentrate is 100,000 tonne/annum at estimated cost of INR 302.5 million.

The company said that it has initiated process to obtain investment approval from CCEA, government Of India.