

KRP Zinc Recycling Plant Nears Full Production



ZincOx Resources Plc, the developer of Asia's largest zinc recycling project, has reported that its wholly-owned Korean Recycling Plant (KRP) 'is in the final months of ramp-up to full production which remains on target for second quarter 2014'.

The recycling plant is designed to treat zinc-containing electric arc furnace dust. In a statement, ZincOx comments: 'Since the start of 2014, having dealt with numerous maintenance and repair issues during

2013, production has ramped up steadily towards the target. Our efforts, together with improvement in the zinc price, ought to result in 2014 becoming a turnaround year for the company.'

As a result of repairs, production at the Cheonbuk Industrial Complex site was limited during November and December to bring the full year's total to 24 577 tonnes, resulting in revenues in Korea for the year of more than US\$ 26 million. January and February are expected to be full operating months

while a short stoppage for maintenance is planned for March.

Andrew Woollett, ZincOx's executive chairman, notes: 'The timing of the refractory repair in December was unfortunate as it stalled our ramp-up momentum, but this has already been re-established and we remain confident of achieving targeted full capacity. We are looking forward to a very productive 2014 and also to a firmer zinc price, which recently seems to be responding to the planned closure of major zinc mines.'



Rio Tinto Says Chinese Now Make 'Much Higher Quality' Mining Equipment

The CEO of world number two miner Rio Tinto last week told an investor conference the quality of Chinese mining equipment is catching up to that of the major US manufacturers.

The Wall Street Journal quotes Rio Tinto CEO Sam Walsh as saying that the Anglo-Australian giant has been increasing purchases of heavy equipment and other items from India and China, and has found the quality impressive. Among RIO's purchases were heavy-duty trucks, equipment for loading ships and rail cars that carry ore. Without naming any names, Walsh said "funnily enough" on the rail cars "the quality actually was much higher" compared to the miner's traditional supplier: "Instead of spot welds, for example, on the sheet metal they were actually continuous welds."

A JP Morgan analyst said that



quality at Chinese equipment makers can vary widely, but "it's incredible the speed at which they are coming up the quality curve." It's a development that spells tougher competition down the line for a host of mining equipment suppliers, including the likes of Caterpillar, Joy Global, Komatsu and Liebherr.

Leaders CAT and Joy Global are having a tough year. In October, world number one supplier Caterpillar

lowered guidance and reported revenue numbers below analysts' expectations, while Joy Global last week reported a 26% slump in sales as the slowdown in mining capital expenditure continues. Other manufacturers like Belarusian mining equipment manufacturer Belaz are also muscling in on the traditional leaders turf. Belaz is testing a truck which will be the world's largest capable of carrying a 450 tonnes payload.

