



Argus News & analysis

Afarak boosts South African chrome ore output

17 Nov 17, 16:19 - Metals, Non-ferrous, Fundamentals, Demand, Supply, Corporate, Results

London, 17 November (Argus) – Finland-based integrated ferro-chrome producer Afarak Group's output nearly doubled on the year in January-September, driven by significant increases in South African chrome ore production.

Output from mining and processing operations was up by 93pc on the year to 426,149t in January-September. Third quarter production of 176,114t was almost three times higher than output in the same period of last year, and up by 29pc on [April-June \(https://direct.argusmedia.com/newsandanalysis/article/1514812\)](https://direct.argusmedia.com/newsandanalysis/article/1514812).

Afarak supplies chrome ore and ferro-alloys from two business divisions – South Africa-focused ferro-alloys and its speciality alloys division based in Germany and Turkey.

Ferro-alloys

Ore output at Afarak's South African mines nearly trebled in January-September to 308,652t, with third quarter production more than four times higher on the year at 139,588t.

Production continued to rise at the Stellite mine, with higher yield from the tailings processing plant commissioned last year.

The firm continued to ramp up output at the Mecklenburg mine, further increasing chrome ore supply. Mining activity [resumed \(https://direct.argusmedia.com/newsandanalysis/article/1384108\)](https://direct.argusmedia.com/newsandanalysis/article/1384108) at the open pit in the first quarter, as part of work to facilitate future underground mining at the site.

Output at the 110,000 t/yr Mogale Alloys processing plant in South Africa was 3pc higher on the year at 55,300t in January-September, with third quarter production of 16,214t up by 21pc higher on a year earlier.

Afarak [extended \(https://direct.argusmedia.com/newsandanalysis/article/1484712\)](https://direct.argusmedia.com/newsandanalysis/article/1484712) the maintenance shutdown at the Mogale facility in July to four weeks because of higher electricity tariffs in the winter. The work included relining three operating furnaces and preparation for a restart in the fourth quarter of the [fourth furnace \(https://direct.argusmedia.com/newsandanalysis/article/1477838\)](https://direct.argusmedia.com/newsandanalysis/article/1477838) at the site, which is in its final testing phases, the firm said.

Afarak is finalising its [agreement \(https://direct.argusmedia.com/newsandanalysis/article/1542883\)](https://direct.argusmedia.com/newsandanalysis/article/1542883) to acquire a 70pc stake in the Zeerust Chrome Mine operation in South Africa. The high-quality ore from the site will be used to produce high-carbon ferro-chrome in the fourth furnace at Mogale.

The three other furnaces produce medium-carbon ferro-chrome and charge chrome. [Two of the furnaces \(https://direct.argusmedia.com/newsandanalysis/article/1445460\)](https://direct.argusmedia.com/newsandanalysis/article/1445460) were converted from silico-manganese output in the past year.

Speciality alloys

The 24,000-25,000 t/yr Elektrowerk Weisweiler (EWW) speciality alloy plant in western Germany increased production by 12pc compared with January-September 2016 to 21,581t. July-September output rose by 30pc on the year to 6,615t.

Afarak reduced the maintenance shutdown at EWW in July to two weeks because of increased demand and earlier maintenance in April, when the plant was idled to manage inventories.

Chrome ore production in Turkey fell by 5pc on the year to 40,616t in January-September, despite a 10pc year-on-year rise in July-September, because of [scheduled maintenance \(https://direct.argusmedia.com/newsandanalysis/article/1459453\)](https://direct.argusmedia.com/newsandanalysis/article/1459453) at the Kavak mine in February. Afarak's Turkish mines are operated by subsidiary TMS, with the produced chromite suitable for processing at the EWW plant because of its low impurity content.

4912182

Send comments to feedback@argusmedia.com

[Request more information \(http://www.argusmedia.com/Info/General/News\)](http://www.argusmedia.com/Info/General/News) about Argus' energy and commodity news, data and analysis services.

Copyright © 2017 Argus Media Ltd - www.argusmedia.com (http://www.argusmedia.com/) - All rights reserved.

Notice: By accessing this site you agree that you will not copy or reproduce any part of its contents (including, but not limited to, single prices, graphs or news content) in any form or for any purpose whatsoever without the prior written consent of the publisher.