

Unplanned smelter closure will cost Amplats up to 100,000oz of production

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Anglo American Platinum (AMS) has lost smelting production of up to 100,000oz of platinum this year after shutting down its faulty Waterval smelter for an unplanned R125m rebuild.

Amplats, the world's largest producer of platinum and which is 80% owned by Anglo American, said there had been a leak at its number one furnace at the smelter, forcing the company to shut the furnace, which represents a fifth of the company's smelting capacity.

"A preliminary assessment of the damage to the furnace has shown that a rebuild of the furnace should be brought forward, as the most prudent means of mitigating future potential operational risks," the company said in a statement.



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It would take up to four months to rebuild and ramp the furnace back up to full capacity, it said.

The concentrate that would be treated at the furnace could not be treated elsewhere in the company because its other furnaces were running at full capacity, which meant the metal stockpiled in the concentrate would be released in the future, it said.

The cost of the rebuild will push Amplats's forecast capital expenditure this year to the top end of its guided range of between R3,.5bn and R4bn.

"The company's mining and concentrating activities are unaffected, therefore not impacting the previously guided range of produced (metal in concentrate) of 2,3-million to 2,4-million platinum ounces," it said.

Source: BDPro via I-Net Bridge

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