Amplats manages to keep its output intact despite weaker fourth quarter

By Allan Seccombe   26 Jan 2018

Anglo American Platinum (Amplats), the world's largest source of the metal, kept it full-year output intact despite a weaker fourth quarter after the closure of the unprofitable Bokoni mine dragged production down 4% in the last three months of 2018.

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Amplats, which is 80% owned by Anglo American, reported full-year platinum production of 2.397-million ounces for the 12 months to end-December, a 1% increase compared with the previous year.

The fourth quarter showed a 4% drop in group platinum output to 587,000oz because of the decision in the third quarter to close the Bokoni mine in which Amplats has a 49% stake. The Mototolo concentrator was temporarily closed to modify a tailings dam.

However, looking at the mines owned by Amplats, output was up 3% to 291,800oz in the quarter, with the opencast Mogalakwena mine, the most profitable operation in the company's stable, increasing production by 18% to 121,700oz, offsetting lower output from its three other mines.

Amplats said its sales of platinum group metals (PGMs), the entire basket of metals coming from its mines, shared operations and third-party production, increased by 19% in the fourth quarter to 1.512-million ounces as it returned refined metal stocks to normal levels.

Fourth-quarter platinum sales were 19% higher at 721,700oz.

Refined platinum production was 14% higher at 722,200oz compared with the same period a year earlier when the Waterval smelter had problems.

Amplats will complete the sale of its Union mine to Siyanda Resources in coming weeks.

For the full year, Amplats purchased 503,000oz of platinum in concentrate from third parties compared with 112,000oz a year earlier. This is because the company sold its Rustenburg mines to Sibanye-Stillwater, which has a short-term contract to sell concentrate from the mines to Amplats.

Source: BDpro

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