

Implats production falls but output rises

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Impala Platinum reported a fall in production at its operations, but total output rose on increased processing of toll material.

The world's second-largest producer of platinum reported production of 454,000oz of gross refined platinum in the three months to September, an improvement of 17% on the same period last year.

However, at its own mines or those in which it is a partner, production was down nearly 18% at 279,000oz, with the Impala mine at Rustenburg recording the biggest fall.

"Lower production at Rustenburg because of the prolonged strike was more than offset by once-off processing of toll material and an inventory release following the build up in the latter part of the previous financial year," Impala said.

Costs shot up 35% to R15,326 per platinum ounce because of lower volumes and increased inflation.

The Impala mine is operating at between 80% and 85% of the 2011 production level. The Rustenburg operations were shut for six weeks from February in a wildcat strike and the company is still trying to restore them to full production.

"Operational performance continues to be impacted by the uncertain labour climate and as a result still remains well below planned levels," Implats said.

The production increase had been expected during the September quarter.

In the Rustenburg area mines belonging to Anglo American Platinum and Lonmin were badly hit by strikes too.

Impala mine's production fell 22% in the September quarter to 193,000oz of refined platinum because of reduced mill throughput, lower grades as well as a build up of 12,000oz in the smelter.

Government-enforced safety stoppages fell to 10 during the quarter compared with 24 a year earlier as Implats cracked down on safety. "The number of self-imposed work stoppages has increased in the drive to improve safety performance," Implats said.

At Impala Refining Services, throughput increased by 88% to 261,000oz despite the drop in material that Implats buys and treats from other mining companies.

Impala says the refinery treated a "significant amount of once-off toll material compared with none in the same quarter a year ago".

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