

PHOSPHATE MINING

More work for Saldanha port

State-owned phosphate miner Foskor will face competition from the private sector when a West Coast mine starts up

Charlotte Mathews
 mathewsc@fm.co.za



Martin Rhodes

Patrice Motsepe: Waiting for two final permits

● Patrice Motsepe's African Rainbow Capital (ARC) and a private company, Kropz, headed by former tanzanite miner Mike Nunn, are waiting for two final permits before they start mining phosphate near Saldanha Bay.

The Elandsfontein Phosphate Project, which will cost about R1.35bn in its first phase, has sparked environmental concerns as it will be a surface mine adjacent to the West Coast National Park and within the water catchment area of the Langebaan lagoon.

At the recent Jo'burg Indaba, former finance minister Trevor

Manuel cited Elandsfontein as an example of inconsistency in the department of mineral resources' granting of mining licences and urged the department to "clean up its act". The West Coast Environmental Protection Association has resorted to the courts to challenge the granting of a mining licence.

Elandsfontein's technical director, Michelle Lawrence, says it took five years from filing a prospecting rights application to securing a mining right. ARC took a 30% stake in the project only late last year.

Lawrence says the mine property is in an environmentally

sensitive area, but it is not in a buffer zone and mining is not prohibited there.

The developers have taken a number of measures to limit harmful environmental effects. These include continuous rehabilitation of the pit, using municipal, not groundwater, diverting fresh water away from the mining area so it is not contaminated before it reaches the lagoon, and increasing the size of the trucks used to transport the material to the port to reduce the number of vehicles on the road.

SA imports most of its fertilisers. The only domestic large-

scale phosphate producer is Foskor, owned by the Industrial Development Corp. Foskor mines about 2 Mt/year of phosphate rock from underground in Phalaborwa and turns it into phosphoric acid and fertilisers at an acid plant in Richards Bay.

Elandsfontein will produce 1.2 Mt-1.5 Mt/year of rock concentrate from a shallow resource and send it to Durban or markets such as Brazil or Australia from Saldanha's port. Lawrence says once the quantity of resources is proven, it could justify building an acid plant in Saldanha.

While Foskor is one of the world's highest-cost producers, Elandsfontein expects to be in the lower part of the cost curve.

The mine has applied, and is still waiting, for water-use and atmospheric emissions licences. It expects to receive those by the first quarter of next year, when it will be able to commission the mine.

Elandsfontein has employed about 1,000 people, largely locals, during construction and about 450 long-term jobs will be created in a very poor area. Excluding wages and salaries, Elandsfontein has spent about R107m in Saldanha, including on the manufacture of steelwork, Lawrence says. ✕

