



Australian
08/12/2008
Page: 24
Business News
Region: Australia
Circulation: 140000
Type: National
Size: 106.17 sq.cms
MTWTF



PURE SPECULATION

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Lonmin platinum dulls

ONE company that has been feeling the chill winds has been London-listed Lonmin Platinum. It is talking about sacking 5000 people and has already slashed exploration spending by 50 per cent.

As a result of the latter, Lonmin has now pulled out of a joint venture in Tanzania with **IMX Resources (IXR)**. Lonmin has financed all the work at the Mibango project but, apart from its own problems, that ground is looking more like a nickel sulphide find than a platinum one.

IMX says it has already had half a dozen potential partners get in touch about taking up the Lonmin role because of Mibango's high grades. The other bit of good news comes in a report from BNP Paribas titled "Nickel Surplus is Melting Away". It says that the mine cuts already announced in Australia, the Dominican Republic, Canada and Indonesia have reduced the risk of a severe supply overhang in 2009 and,

therefore, may avert a further gutting of the metal's price.

However, the economic downturn — this time in the form of Darwin rail line operator FreightLink ending up in the hands of receivers — has had an impact on IMX's more immediate project in South Australia. The company is going to move the ore from Cairn Hill by rail — all the 2000km to Darwin — but, with the main train operator down the tubes, it will have to lift capital spending by another \$30 million to build the five rail passing loops between its new siding and the wharves at Darwin.

Had FreightLink been above water, it would have built the loops needed because of the additional ore trains.

IMX is looking to ship the first ore containing magnetite and copper in May. It has now brought in rail operator Pacific National for the job complete with its own locomotive and wagons.