

COBRE LAS CRUCES (CLC)

21ST CENTURY MINING





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By maximizing its return on considerable investment in recent years Cobre Las Cruces (CLC) is well on the way to achieving its vision of becoming a benchmark standard in modern mining operations

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ocated at the eastern end of the prolific Iberian Pyrite Belt in the province of Seville, Spain, Cobre Las Cruces (CLC) is a highly innovative open pit mine and the first industrial installation of its kind to operate within Europe.

Providing direct employment to 800 employees, as well as generating approximately 1,500 indirect jobs, CLC represents a major €840 million industrial investment into an area that also spans the Spanish provinces of Badajoz and Huelva, and extends through the south of Portugal.

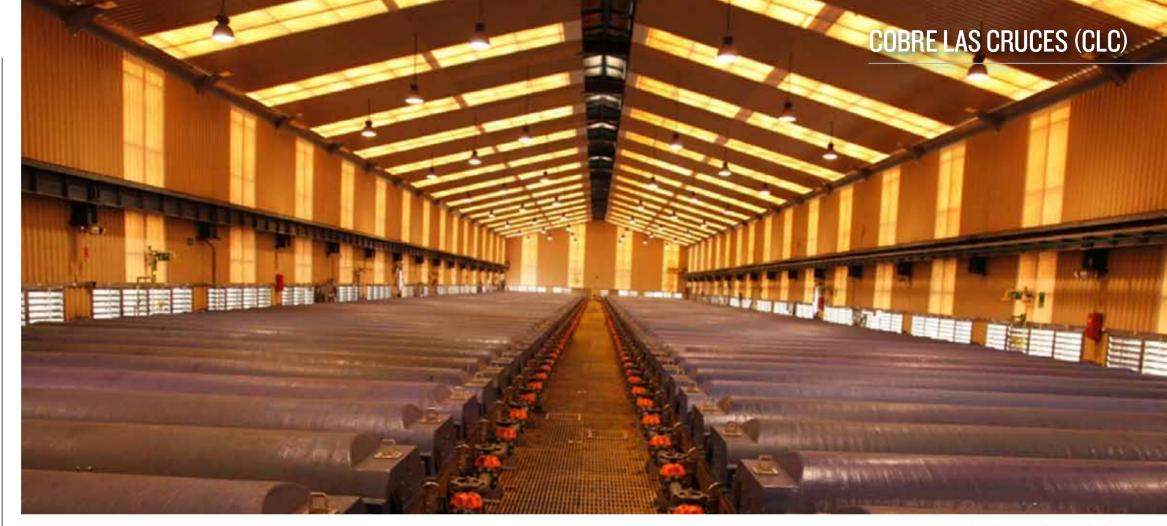
Exploration of the mine site commenced in 1992, with a complete site evaluation running from 1994 to 1999. June 2009 saw the start-up of production at the mine, which has an estimated lifespan of 15 years.

"Since the production phase began," states Plant Director, Enrique Delgado, "the growth of the business has been marked by the evolution of the site's production plant, which has been steadily approaching its maximum output of 6,000 tonnes of copper cathodes per month, a figure which was just achieved in mid-2012. In 2012 alone we produced 58,000 tonnes of copper cathodes, with a resulting turnover of €425 million."

The hydrometallurgical plant is the heart of the operations and the key element of the complex. Unique to Europe, it is where the ore is converted into copper sheets following a process that offers clear advantages at a technical, economic and environmental level; in fact it is considered by the international mining industry as being a clean technology for obtaining copper. The finished result







Hydrometallurgical plant

is grade "A" copper cathodes with a purity of more than 99.999 percent, according to the London Metal Exchange. It is this that makes up the final product of CLC, ready for commercialization and transformation into rods or copper wire.

Today the core focus of the business is to advance the asset to its next phase, which fundamentally means gaining access to new, under-developed areas of the site. As far as the production plant goes, the company's efforts are focused on optimising its output. This is a task made all the more important by the fact that 2013 marks the first full year during which the plant will have operated consistently at maximum capacity.

Other long-term plans for CLC include examining the possibility of the exploitation

of other complementary mineral resources containing copper deposits. Bearing this and the aforementioned on-going developments in mind, it explains why the company has endeavoured to invest consistently in its operations.

"Once the major investment stage during the construction of the plant complex was complete we immediately began the process of undertaking important improvement works

elsewhere around the complex, including the construction of our water treatment plant," Delgado continues. "By the end of 2012 investment in the mine and its associated infrastructure had exceeded €80 million."

While CLC does indeed work with many of the most qualified international suppliers, especially when it comes to the innovative technology used at the mine, it is a preference of the company to work with local suppliers

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who it considers to be every bit as valuable to the mine's success.

Similarly CLC has, since the start of the construction phase, given particular priority to the training of local professionals who join the business. "Today there are many individuals from this region that carry out functions in the business for which they have been specifically trained." Delgado highlights. "Providing employment is however just one

way that our operation positively impacts the local economy. With many of our employees, as well as contractors, being residents in neighbouring areas around the mine it has helped create a large number of indirect jobs in all manner of services including hospitality and transport."

The concept of sustainability also exists as a high priority within CLC's ethos. "As is the case with work safety," Delgado says,

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"with regard to the environment our belief is that prevention is better than cure. As such there are three key themes that we continue to work towards. These involve the progressive environmental restoration of the area in which we function, the total care of the water resources in said area and the absence of tailings ponds, which completely eliminates the well-known risks associated with such facilities."

Happily for Delgado, CLC's employees and the suppliers and communities which benefit from the mine's presence, the future of the development looks very healthy indeed. "Our owners, First Quantum Minerals, have already made it clear that they intend to invest more than €100 million into this project in the coming years," Delgado explains. "Furthermore, if the feasibility of additional mineral resource exploitation is approved, this would require additional investment to carry out such a project. However, if the current estimates are confirmed, we could be talking about expanding the mine activity between 10 and 15 years longer than currently planned, which will be great news for everyone."

For more information about Cobre Las Cruces (CLC) visit: www.cobrelascruces.com



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