

Kaloti Building New Gold and Precious Metals Refinery in Dubai

Kaloti Jewellery Group, one of the world's largest gold and precious metals refiners and trading houses, has begun construction of one of world's largest gold and precious metal refineries in the Jumeirah Lakes Towers Free Zone, Dubai. The refinery is expected to be completed in late 2014.

The new refinery will cost \$60 million; will cover an area of about 15,000 m²; will have capacity to produce up to 1,400 mt/y of gold and 600 mt/y of silver and other precious metals; and will include a mint department to produce gold ingots and coins.

The new plant will triple the size of Kaloti's current refinery capacity and will employ the latest gold electrolysis technology from Italy and Switzerland, as well as the aqua regia process for gold refining. It will have two assaying laboratories for fire and ICP (inductively coupled plasma) assaying.

Kaloti Group Chairman Munir Kaloti said, "This represents a major investment in expanding and upgrading our refining facilities. This will be a state-of-the-art refinery to rival the best in the world."

Landslide Buries Workers' Camp in Tibet

Early in the morning of March 29, 2013, a major landslide engulfed a worker's camp of China Gold International's Jiama copper-gold mine 68 km northeast of Lhasa, Tibet. A total of 83 workers were buried under the rubble, and 66 bodies were recovered within a week of the disaster. No survivors were found. The mineworkers buried in the landslide were employed by four external independent contractors engaged by Tibet Huatailong Mining Development Ltd., a wholly-owned subsidiary of China Gold International.

The workers were housed in tents in a camp located about 10 km from the Jiama mine site. The slide originated at the top of a valley above the camp. The crown of the slide was 5,359 m above sea level, and the toe was at 4,535 m, a drop of 824 m. Investigators attributed the slide to complicated local geological structures and melt-water seepage that weakened the geotechnical competence of the mountain side.

The mine site was not impacted by the slide, and there was no evidence that mining operations had directly contributed to the initiation of the slide.

China Gold International is headquartered in Vancouver, British Columbia, and is listed on the Toronto and Hong Kong stock exchanges. State-owned China National Gold Group, China's largest gold producer, is its largest shareholder, with an approximate interest of 39%. About 40% of the shares are publicly held.

The Jiama mine is a surface copper-molybdenum-gold-silver-lead-zinc mine with current processing capacity of about 6,000 mt/d. Commercial production began in September 2010. A prefeasibility study completed in October 2012 proposes an expansion to 40,000 mt/d, with ore drawn from both surface and underground mining operations.



Indonesia May Ease Smelter Requirements for Major Producers

In another twist to the controversy surrounding Indonesia's ban on raw mineral exports, officials are allowing major miners extensions to build their own smelters—or sign pacts with smelters already under construction—before the 2014 regulation takes effect.

Acknowledging the strong objections the law has received from foreign investors and Indonesians alike, Mining Minister Mohamad S. Hidayat said, "We can give them extra time, and if at the end of 2014 the smelters are not ready, we can talk about them later."

Most foreign miners say next year is far too soon to develop smelters in ASEAN's largest economy. Indonesian mining industry groups also object to the measure, citing potential annual export losses at \$10

billion. The mining companies affected by the law are PT Vale Indonesia, a subsidiary of Brazilian iron ore giant Vale; PT Freeport Indonesia, a unit of Freeport McMoRan; and Newmont Nusa Tenggara.

Regarding the rule itself, however, Jakarta remains steadfast. "One thing is for sure, contract holders must build their smelters soon," said Hidayat. "They have to follow our rules and regulations—no exception."

Indonesia is enjoying one of the world's biggest mining-driven economic booms, in no small part from massive industrial growth on mainland China, the largest consumer of its thermal coal and other metals. Indonesian government officials now say they want a bigger slice of the profits.

But Jakarta's 2009 mining law, and its lack of clarity, has led to confusion and disappointment among mining companies that have already invested billions, while scaring off many others. In April, Indonesia was ranked the world's least attractive place for mining by the Fraser Institute, a Canadian think tank.

Frontier Mining to Expand Benkala SX-EW Plant

Officials at Frontier Mining Ltd., a private copper producer in Kazakhstan, announced further \$17.9 million in financing from Sberbank Kazakhstan, allowing for expansion at its Benkala solvent extraction/electrowinning (SX-EW) plant. A further \$6 million in capital expenditures will bring capacity to 10,000 metric tons per year.

In 2013, work will bring Benkala's exploration activities to Baitemir, a possible copper gold porphyry deposit with associated molybdenum in the northeast of Kazakhstan, a former Soviet Republic. Frontier has a 100% stake in Baitemir via its 100%-owned subsidiary FML.

Frontier Mining is a copper company with production, development and exploration operations in Kazakhstan and primary activity at Benkala, an open-pit mine and SX-EW production facility in the Urals copper gold ore belt in northwest Kazakhstan. With a technical office in Almaty, the former Kazakh capital city, it also maintains offices in Aktyubinsk and Semipalatinsk, near Benkala and Baitemir operations.