

Windimurra commissioning ferro-vanadium production, to expand into vanadium pentoxide

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The [Windimurra Vanadium project](#), Australia's primary vanadium and ferro-vanadium producer, has entered final plant commissioning, owner Atlantic Ltd. said today.



Windimurra Vanadium Project © Atlantic Ltd.

It also confirmed that it plans to start producing vanadium pentoxide flake at Windimurra in the first half of next year. The company told Metal-Pages it is currently weighing up equipment options for this additional product stream.

First ferro-vanadium is on track to come out of Windimurra's processing plant in late September, with shipments to global markets to start shortly afterwards from the port of Fremantle.

The mining and processing complex, located near Mount Magnet in Western Australia and operated by Atlantic's wholly-owned subsidiary Midwest Vanadium Pty. Ltd., has a nameplate production capacity of 6,300 tpy of contained vanadium.

"For the past year, we have dedicated significant capital resources and worked diligently to bring Windimurra into production and integrate improvements to the mining and production process. As a result, Windimurra will be a reliable producer of high quality ferro-vanadium," said Tony Veitch, executive director of Atlantic Ltd. "We are confident that Windimurra will be in the lowest quartile of the industry cost curve and a welcome new independent source of ferrovanadium in global markets."

Additionally, Atlantic plans to start production of high purity vanadium pentoxide fused flake in the first half of calendar year 2012. High purity vanadium pentoxide is used in the production of master alloys for the titanium industry and in

chemical industries, and it is currently in tight supply.

"Windimurra is uniquely placed to produce and supply high purity vanadium pentoxide to these markets given it will operate the only gas-fired kiln in the vanadium industry", Atlantic said. Vanadium pentoxide is not currently manufactured at Windimurra, which goes through a different intermediary feedstock process to make ferro-vanadium, so producing high purity V₂O₅ would require a separate circuit.

Atlantic is currently deciding between using existing and new equipment for this, and the schedule for start of vanadium pentoxide production is still flexible within the first half 2012 timeframe. "There are still elements of this that are undecided - we are currently still evaluating the capital cost of bringing on capacity for pentoxide," Glen Zurcher, Atlantic's spokesman told Metal-Pages. "We have a legacy circuit on site that was left by [project's former owner] Xstrata and we are also looking at a different circuit - the technology could be purchased from China."

Atlantic is currently examining the comparative capital costs of refurbishing the existing circuit and buying in a new one, so it is yet to confirm financing options, but indications are that buying new equipment from China might not be particularly capital intensive, he added. Atlantic had raised funding to complete Windimurra construction and the working capital to run in through a US\$335 million bond issue in February 2011.

"It makes even more sense to manufacture vanadium pentoxide than ferro-vanadium, as the market is less crowded," Gregor Theiser, managing director of Windimurra's agent Element Commodities told Metal-Pages. "It will be very high purity vacuum degassed product."

Initially, vanadium pentoxide production would take up part of the 6,300 tpy contained vanadium capacity, but as mining and processing is debottlenecked there will be significant scope for additional production, according to Atlantic. Executive director Tony Veitch said the company is also evaluating the production of other value added vanadium products for the global steel, chemical, titanium and energy storage markets.

Hong-Kong based Element Commodities is Windimurra's exclusive marketing agent for ferro-vanadium, and will be conducting a marketing roadshow with Atlantic this month. Sales of Windimurra products in Europe will be managed directly by Element Commodities's office in Zug, Switzerland. In North America, sales will be managed by Terry Perles under MoTiV Metals, LLC, headquartered near Pittsburgh, Pennsylvania, and working closely with Element, which will provide trade finance. Other markets will be served by local distribution channels staffed with sales and marketing professionals with many years of experience in the vanadium industry, Atlantic said. Singapore-based Graceland Industries Pty. Ltd., will also work in conjunction with Element to support distribution and stocking of ferro-vanadium from Windimurra in major global steel markets.

"Element Commodities has established offices and sales channels in nearly every geographical region of the world to sell and distribute ferro-vanadium from Windimurra to customers," Element's MD Gregor Theiser stated. "Our global marketing effort is led by experienced industry professionals. Our sales and marketing team are negotiating with customers today and we fully expect to be able to meet the needs of the market."