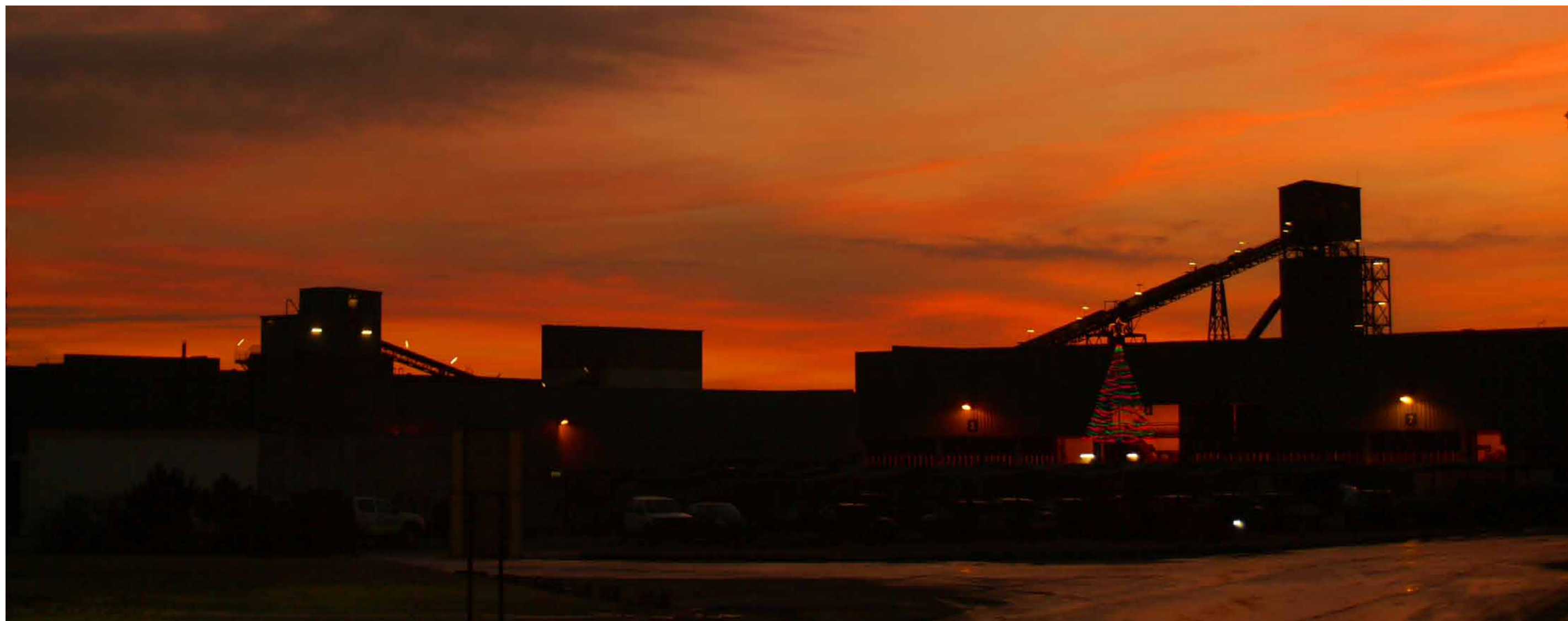


Somincor

EXPANDING ALENTEJO'S
LARGEST EXPORTER





Somincor

EXPANDING ALENTEJO'S LARGEST EXPORTER

The Alentejo district of Portugal is sometimes referred to as the 'bread basket' of Portugal thanks to its rich food reserves

RESEARCH BY *Joseph Philips*



The Alentejo district of Portugal is sometimes referred to as the ‘bread basket’ of Portugal thanks to its rich food reserves. However, ever since Swedish firm Lundin Mining acquired the Neves-Corvo mine back in 2006 as part of its merger with EuroZinc mining, the region’s land has become famous internationally outside the traditional areas of agriculture and cork.

We first spoke to Lundin Mining about Neves-Cortes almost 10 years ago, back in 2010. Since then, the mine has become an

even more central part of the communities it serves and the Portuguese government recognized this when it awarded Lundin Mining was awarded a six-year extension to its concession. So what better time to revisit the mine and see how it has been doing in our absence.

Operations

The Neves-Corvo mine is located a little over 200km south of the Portuguese capital Lisbon and produces copper, zinc and lead

“The Neves-Corvo mine is located a little over 200km south of the Portuguese capital Lisbon and produces copper, zinc and lead concentrates”

concentrates and is managed by Lundin Mining’s local subsidiary, Somincor. Until now, every year the mine has produced approximately 1.1 million tons of zinc, with its copper and lead output slowly diminishing over the years.

In April 2017, however, Somincor announced a major investment of around 250 million euro for the mine - easily the biggest investment in rural Alentejo over the past decade. The planned expansion of the mine should be complete in late 2019, and will double the



“Much of the zinc ore for the ZEP will be mined in deep areas of the Lombador orebody using primarily bench and fill mining methods, with limited amounts of drift and fill”

Reach the top of your operation

Metso Performance Solutions can support every phase of your operation and ensure each step is running at top condition.

Each solution is customized to your needs and our services packages provide operational excellence through asset optimization.

Thanks to the combination of skills, technology and process knowledge, we provide scientific and engineering insights into your operation - based on field measurements - leading to improved throughput and recoveries without any investment in new equipment.



mine's zinc production to something north of 2.5 million tons. The expansion itself will employ around 350 people, and when operational, the mine will employ 200 full-time employees.

The new infrastructure will include a new crusher station, a conveyor system connecting this to the 700 shaft hoisting facilities, an upgrade to the main hoisting shaft together with extensions to the mines ventilation, pumping and electrical distribution systems. Much of the zinc ore for the ZEP will be mined

in deep areas of the Lombador orebody using primarily bench and fill mining methods, with limited amounts of drift and fill.

Modifications to the existing zinc plant for the ZEP project include new surface stockpile and feeder facilities, an expanded grinding circuit, expanded flotation capacity, expanded zinc and lead thickeners and filters and associated expansions and upgrades to ancillary services.

The investment in the mine will allow Somincor to exploit it for at least another



SPEARHEADING RAPID MINE DEVELOPMENT THAT'S BUILDING TRUST

For more than a century, Sika has been involved in the most challenging tunneling and mining projects ever built. Looking back and profiting from this wealth of experience, means Sika's underground construction excellence and the best mining practices are now implemented in many regions and the far corners of the globe. We are a long standing partner of Lundin Mining and proud to be part of the Neves Corvo Somincor Team.

Visit us on www.sika.com/mining

Contact
Phone +41 58 436 40 40
Fax +41 58 436 41 50
www.sika.com/mining

BUILDING TRUST



SIKA AT NEVES CORVO

Sika is a long standing partner of Lundin Mining in several of their mines and assisted the Neves Corvo team to prepare and execute rapid mine development and decline construction, implementing in cycle, fast setting, shotcrete primary liners and efficient shotcrete mix designs. Sika strongly supported the Neves Corvo project team for the recent zinc expansion project. A strong focus was given to the required open time of the concrete for transport and handling as well as the final and early strength of the shotcrete. Part of the project was the optimization of the concrete supply through the more than 300m long vertical slick line with Sika's leading ViscoCrete® concrete admixtures in combination with Sika Sigunit® shotcrete accelerators and SikaFiber® technology for a reliable shotcrete support. www.sika.com/mining

BEinspired

Your weekly digest of business news and views

www.bus-ex.com



“The company estimates that it has already invested around €800 million over the past decade”

10 years. The company estimates that it has already invested around €800 million over the past decade, which included approximately €350 million in taxes and royalties to the Portuguese state. The investments made at Neves Corvo also come in addition to further investments at Somincor's other mining interests at Semblana in Portugal.

Figures released by the Portuguese Ministry of Energy, show that the Neves-Corvo mine has been one of the country's largest exports over the past decade with approximately €6 billion in ore exports. At a time when Portugal, like much of Europe,

was recovering from the devastating financial crisis, the revenues generated by Neves-Corvo was invaluable.

On the Somincor, these revenues have also translated into tidy profits. In 2016, it reported net income of nearly €70 million on Neves-Corvo alone, hinting at the high quality of the zinc deposits that lie beneath the surface in the part of the world.

Environmental and Social Issues

In addition to conducting an environmental impact report, and passing all the relevant environmental requirements of the

BEUMERGROUP **BME|GROUP**
OF COMPANIES

SOME THINK A MARGIN OF ERROR IS ACCEPTABLE. WE THINK DIFFERENT.

The BEUMER fillpac® R is a bagging system with a difference. Using revolutionary microprocessor-based weighing electronics with vertical filling impellers and two discharge conveyors, it delivers entirely new standards of precision and performance: automatic optimisation and error correction; 300-6,000 bags per hour; individual bag tracking and latest PMS generation; we know what it takes to streamline your end-of-line productivity. For next generation packaging solutions that make a difference, visit www.beumergroup.com

BEUMER ENEXCO **MADE DIFFERENT**



TEIXEIRA DUARTE
ENGENHARIA E CONSTRUÇÕES, S.A.

Teixeira Duarte started its activity in 1921. Now is one of the largest Portuguese Economic Groups. Always looking for new technical value, extended its conduct of geotechnical and foundations to other broader areas such as construction, public works, mechanical engineering and formworks and pre-stress.

TEIXEIRA DUARTE is honored to be partnered with Somincor-Lundin Mining

Lagoas Park, Edifício 2 | 2740-265 Porto Salvo, Oeiras
Tel. +351 217 912 300 • Fax +351 217 941 120

MIM

OUR COMPROMISE WITH

- Quality
- Trust
- Safety

CORE BUSINESS

- Maintenance
- Manufacture
- Erection

MAIN INDUSTRIES

- Mining
- Cement
- Pulp and Paper
- Energy

www.mim.pt

“As well as being the largest employer in the region, Somincor has also instigated several community programs worth approximately €200,000 to date”

Portuguese government, Somincor has implemented several of its own initiatives with an environmental focus. Chief among these has been the company’s own corporate and site strategy for reducing energy use and monitoring GHG through its Air Quality Greenhouse Gas Management Plan.

As part of the expansion of the mine at Neves Corvo, Somincor also redesigned and re-engineered its water management system to exceed the standards set out by Portuguese discharge regulations. Neves Corvo stays well within the permitted levels. In addition, the site

now includes facilities for water management and recycling.

The communities around the mine have also been recognized in the investments. It’s important to bear in mind that Neves Corvo is located in a highly rural part of Portugal, traditionally an employment black spot for anything outside of traditional areas like agriculture and cork production. As well as being the largest employer in the region, Somincor has also instigated several community programs worth approximately €200,000 to date.



“In 2018, Neves Corvo marks its 30-year anniversary. In that time, it has evolved from a small mine, which primarily produced copper to a significant mine, whose output is mostly zinc”



These programs have included investments in education, community wellness, local supplier development and road safety initiatives. In addition, several of its employees - the vast majority of whom are natives of the area - have become Somincor ambassadors, providing locals with a point of contact in the firm should any issues arise, putting communities within touching distance of the company's management.

Partners and Suppliers

Somincor has contracted some of the largest names in world mining to assist it in the expansion phase of the mine at Neves

Corvo. Chief among these is Finnish company Metso, which will provide much of the mining technology, including a C120 jaw crusher, flotation cells and filter presses. It has also contracted Swedish firm Drillcon to assist in its raise boring, beginning a one-year contract in December 2017.

Further mining technology is provided by Sika. The extensive piping network within the mine shaft was managed by Alvenius, while waste management and energy are under the responsible eyes of Golder Paste Technology and Repsol, respectively. Finally, auxiliary services (restaurants, canteens, etc) at the mine and its surrounding operations are taken care of by Eurest Portugal.

The Future

In 2018, Neves Corvo marks its 30-year anniversary. In that time, it has evolved from a small mine, which primarily produced copper to a significant mine, whose output is mostly zinc. It's been quite an evolution, and as the expansion project which is due in mid-2019 shows, there's still plenty to come from this and other Somincor mines in Portugal. **BE**

SOMINCOR

☎ +351 286 689 000

✉ info@somincor.com.pt

www.somincor.com.pt



Somincor

☎ +351 286 689 000

✉ info@somincor.com.pt

www.somincor.com.pt

Produced by:

BE Business Excellence

www.bus-ex.com