"Development of the Mining Industry of Murmansk Region and Perspectives for Norwegian - Russian Cooperation"

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Share of Industry of Murmansk region

In structure of the Gross Regional Product

Number of employees in industry

Mining industrial complex in industry of the region

51.9%

20.5%

55%
MURMANSK REGION IN THE ECONOMY OF RUSSIA
in percentage

- Iron ore: 9.4%
- Copper: 13%
- Cobalt: 26%
- Aluminum and ceramic: 35%
- Nickel: 45%
- Brazilite, nepheline concentrate: 100%
- Mica, niobium, tantalum, rare...: 80%
- Phosphate ores: 100%

JSC "Kovdorsky GOK"
"KOVDORSLUDA"
JSC “APATIT”
Branch of JSC“SUAL” «KAZ-SUAL»
JSC “KOLSKAYA GMK”
JSC “OLKON”
“LOVOZERSKY GOK”
Mineral Resources of the Kola Peninsula

There are considerable resources of mica, raw materials for building and construction materials and ceramics, facing stone, semiprecious stones and gemstones. 220 minerals were found at the Kola Peninsula out of 440 minerals which were discovered anywhere in the world in the 20th century.

The economic specialization of the Murmansk region is connected with the exploration of mineral resources of the Kola Peninsula, its geographic position and includes mining and processing of the mineral resources (iron-ore, apatite, vermiculite, phlogopite, loparite, brazilite and nepheline concentrates), industrial production of copper, nickel, cobalt, semi-finished precious metals, primary aluminum, electric power, chemical production, fisheries and fish processing. The Murmansk region produces 100% of apatite and 10% of iron-ore concentrates, 7% of refined copper, 44% of nickel, 20% of fish food staff in Russia.
THE LARGEST MINING AND PROCESSING ENTERPRISES ARE LOCATED IN THE MURMANSK REGION

JSC ‘Kovdor Mining and Processing Plant’ (‘Kovdorsky GOK’) produces baddeleyite-apatite-magnetite ores by the open-pit mining method. Estimated capacity of the open-pit ore mine is 16 mln tons per year. Commercial production of the following concentrates: (5.7 million tons), apatite (2.5 million tons) and baddeleyite (9 thousand tons). The project of industrial development of apatiteshtaffelite ore field has been launched, what will provide to produce of apatite concentrate in the additional volume of 500 thousand tons per year.

JSC "Kola Mining and Metallurgical Company" (OAO "Kolskaya GMK") conducts mining operations at 4 fields. The total annual production of copper and nickel ores is about 7 million tons. In 2012 the Kolskaya Mining and Metallurgical Company (‘Kolskaya GMK’), a daughter company of “Norilsk Nickel” has a plan to spend 3.3 mlnrd. RUR for purchase of new machinery and equipment. In the framework of this acquisition the company has an intention to buy totally about 600 units of different equipment. Comparing with 2011 financial means for purchase of new equipment is increasing three times. In 2012 total financial means which are planning for purchase of equipment will reach maximum whenever spent by Kolskaya GMK.
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JSC "Apatite" is the biggest company in mining and processing of apatite-nepheline ores in Russia and abroad. The total annual capacity of four mines is 28-30 million tons. Annually 7,5 -8,0 million tons of apatite and 0.9-1.0 million tons of nepheline concentrates are produced.

JSC "Olcon" develops iron ore fields. Annual productivity at five open pits and one underground mine is 13-14 million tonnes of ore and 4,6-4,7 million tons of ore concentrate.

Ежегодно инвестиции предприятия в развитие рудной базы, модернизацию производства осуществляются в объеме от 50 до 100 млн. долларов.

OOO "Kovdorslyuda" extracts ore by open-pit mining method. The factory is processing phlogopite, vermiculite ores and quartz and field-spar raw material. The factory is the only supplier of phlogipite, practically all products of vermiculite and up to 30-40% of the pegmatitic.

OOO "Lovozersky Mining and Processing Plant" (OOO "Lovozersky GOK") mines and processes rare-metal ores. The estimated capacity of the underground mine is 450 thousand tons per year, in fact it is 300 thousand tons.
Further Development of the Mining Complex of the Murmansk Region

In the nearest future 4 big projects on development of new deposits of mineral resources are planned for implementation in the Murmansk region.

1. The first project concerns building of a mining and processing plant at the deposits of apatite and nepheline ores, the field is named Oleniy Ruchey (license holder is ZAO "North-Western Phosphorous Company"). The first line of production is scheduled for 2012. The ore extraction capacity is 6 million tons per year. Annually it’s planning to produce 1.9 million tons of apatite and 1.8 million tons of nepheline concentrates.

2. The second project is connected with the construction of mining and metallurgical plant at deposits of ilmenite-titanium-magnetite ores in South-east Gremyakha. The mining capacity is up to 5 million tons of ore per year. Manufacturing of such new product as cast iron, vanadium and titanium slag will be launched in the region.

3. The third project concerns construction of mining and processing plant at the deposit of platinoids, called Fedorova Tundra. The estimated mining capacity of the plant is 12 million tons of ore per year; total production of nickel concentrate, copper and precious metals (platinum, palladium, gold) is estimated up to 180 thousand tons per year.

4. The fourth project includes construction of mining and processing plant at the Sopcheozerskoje deposits of chromites, with mining capacity of 750 thousand tons of ore per year.
Perspective projects for cooperation with Norwegian business are as follows:

1. Production of concrete and alumina based upon mineral resources of Khibiny Mountains in Murmansk Region and in Northern Norway.

2. Participation in building of new and re-construction of existing enterprises.

3. Cooperation in implementation of programs for energy saving and increasing of energy efficiency of enterprises.
Production of cement and alumina based upon mineral resources of Khibiny Mountains in Murmansk Region and in Northern Norway.
Akselberg marble deposit at North Cape
Mass flows in connection
Khibiny – Akselberg – Caves

- NEPHELINE  500 000 tons
- MARBLE     1 250 000 tons
- KYANITE     100 000 tons

Output of production:
- CEMENT       540 000 tons
- ALUMINA      150 000 tons
- SODIUM, POTASH  120 000 tons
Thank you for your attention!

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