

Business News

Rio Tinto begins ilmenite shipments out of crisis-hit Madagascar

By DPA

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Antananarivo - A first shipment of ilmenite from mining giant Rio Tinto's vast mineral sands project in the south of crisis-hit Madagascar was en route to Canada this week, local media reported.

Two daily newspapers reported Wednesday that Qit Madagascar Minerals (QMM), a subsidiary of Rio Tinto, managed to send a first shipment of 35,000 tons of the mineral to Canada last week through a new custom-built port at Ehoala, south of Fort Dauphin.

QMM began production of ilmenite near Fort Dauphin in January, coinciding with the launch of a series of anti-government protests that culminated in March in the ouster of the Indian Ocean island's president Marc Ravalomanana.

The unrest, which left Madagascar with a transitional administration that the international community refuses to recognize, sparked concerns about the safety of foreign investment on the island.

New interim president Andry Rajoelina's authorities searched QMM's mine for weapons and mercenaries, following reports that Ravalomanana used foreign security forces to help him remain in power. They found nothing.

QMM had to build a new, multi-use, cyclone-proof port before being able to ship out the ilmenite to Rio Tinto's metallurgical complex in Quebec, which had been upgraded to process it.

The company received some money towards the port from the World Bank.

Ilmenite contains titanium dioxide, a pigment used in paint, paper and plastic applications.

QMM aims to ship 750,000 tons of ilmenite and 60,000 tons of the mineral zircon each year from Madagascar.

The project in Madagascar and Quebec cost around 1.2 billion dollars in total. According to Rio Tinto information, the investment is the biggest in Madagascar's history.

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