

# Anglo Platinum signs up Larox SA for pilot operation & maintenance contract on filtration plant

Larox SA, South African subsidiary of leading international solid/liquid separation specialist Larox Corporation, recently signed a full operation-and-maintenance agreement with Anglo Platinum Ltd relating to the Larox concentrate filtration units operating at the group's Amandelbult mine processing plant near Thabazimbi in Limpopo Province.

The deal is a pilot project which, if successful, could be extended to all the group's other local sites where Larox equipment is in use.

The agreement, the first of its kind for Larox SA, took effect at the beginning of September 2005. It makes Larox SA technicians fully responsible for the operation and maintenance of the filtration units in the concentrate dewatering section of the plant. There is a fixed price agreed and a single invoice per month for all labour and consumables.

Coinciding with the signing of the pilot agreement, Larox SA and Anglo Platinum signed a new "blanket" maintenance support agreement applying to all 14 Larox solid/liquid separation units operating at a total of nine Anglo Platinum mining sites. This supercedes and extends previous separate maintenance support agreements between Larox SA and individual group operations that had previously applied.

These landmark agreements signify an improved supplier status of Larox SA with Anglo Platinum, from that of supplier to becoming a strategic partner with the group. Anglo Platinum has identified key strategic areas within its operation in which it seeks to establish key strategic relationships with suppliers with the aim of reducing total costs and improving efficiencies.



Said Larox's Director of Global Customer Support Simo Manninen: "The two new agreements, along with the strategic partnership status that Larox SA has been elevated to, amount to recognition by Anglo Platinum that we have the requisite specialist skills to substantially reduce the costs of producing dry friable concentrate filter cake."

"The pilot operation-and-maintenance agreement at Amandelbult in particular points the way to the future. The new arrangement is already proving its value in terms of improved efficiencies and cost savings at the plant. The savings realised internally at Larox are transferred directly to the end-consumer, thus demonstrating the soundness of the group's approach and the accuracy of its vision."

"We anticipate that it will lead to similar agreements being put in place for the other plants, and even with other customers, in due course, leading to a further strengthening of our co-operative relationships with our customers."



## Performance for Life

Anthea Bath, strategic commodity manager for Anglo Platinum's processing section, said Larox SA is committed in terms of the pilot contract to ensure at least 95 per cent availability of the two Larox filters in operation at the Amandelbult processing plant. "This is higher than the availability previously achieved and the company has been consistently on target to date – as they have with most of the other key performance indicators governing improved efficiency in throughput and cost reduction," she commented.

Mark Carlisle, Amandelbult's concentrator manager, commented: "To date the contract has been successful and positive. The Larox filters are technologically complex and it makes sense to leverage the skills, knowledge and experience of the OEM to operate and maintain them effectively. I look forward to increasing benefits for both Anglo Platinum and Larox as we fully realise the synergies of expanding the contract to other sites."

Pierre Fourie, Larox SA's Service manager, described the pilot contract as an all-round winner. "We achieve the best quality filter cake for transportation to the smelter and the filter plant throughout has been markedly improved. Savings have been achieved already and there is scope for further improvements and savings in line with the objectives set in the agreement," he said.

Patrick Jay, Larox SA's managing director, said that the company's ultimate goal with Anglo Platinum's operations – as with numerous other Larox customers worldwide – is to be, in effect, their "dewatering department".

"We have the qualified manpower and know-how to operate and maintain any of the equipment that we manufacture and supply from our two ultra-modern factories in Europe. We can use these key resources to train the customer's staff, or new Larox staff, for the burgeoning mining industry."

"In this respect we are completely aligned with Anglo Platinum's performance objectives because that is exactly the role they envisage us performing – the pilot contract being the first step. We would like to see it ultimately include having Larox SA technical personnel also operating and maintaining all auxiliary equipment, in addition to the filtration equipment, and possibly being paid on a rate-per-tonne basis," he stated.

"This is also indicative of a worldwide trend in mining and

other industries where the producer seeks to focus on its core activity while linking up with specialist partners to operate and maintain the other processes associated with it."

Larox SA began supplying filters to Anglo Platinum mines in 1998 and Larox filters were subsequently installed as the standard dewatering equipment for platinum concentrates at all the group's processing sites. The first of the individual maintenance support agreements between Larox SA and the processing sites was signed in 2000.

Finland-based Larox Group is one of the world's top suppliers of solid/liquid separation solutions and services to process industries, while Larox SA is one of the leaders in this field in the Southern African market.

Anglo Platinum, which is listed on the Johannesburg and London stock exchanges, is the world's leading primary producer of platinum group metals.

# LAROX®

**Larox Corporation**

P.O. Box 29

53101 Lappeenranta, Finland

Phone +358 (0) 207 687 200

Fax +358 (0) 207 687 380

E-Mail [service@larox.com](mailto:service@larox.com)

Internet [www.larox.com](http://www.larox.com)

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