Manganese mining in the Kalahari basin

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Manganese ore exports from South Africa are constrained by rail and port capacity.
South African manganese ore output has risen to around 7.5 million tonnes per year.
South African manganese ore shipments (gross weight basis):

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- Manganese ore exports already exceed current rail capacity by >1 million tonnes per year. Material is being trucked to port
- Growth in world demand (conservative forecast) will require extra ~5 million tonnes of Mn ore from South Africa by 2020
- Forecast 2020: SA production 13 million tonnes, exports 11 million tonnes
- Port Elizabeth current capacity of 4.5-6.0 million tonnes per year will be grossly inadequate
- Short/medium term issue of how to allocate capacity of new entrants (UMK, Khalagadi, AML...) vis a vis established players
Conclusions from discussions yesterday...

- Plans to move manganese export terminal in 2017/18
- Prior to that, the industry will largely have to live within existing constraints
- Extensive trucking of Mn ore seems unavoidable, requiring a price high enough to justify this
- Fierce competition for rail paths
- Power constraints make expansion of Mn alloy capacity problematical, except for conversions from other alloys (FeCr)
- Higher tariffs to pay for investment?