



## S Africa to enter graphite market?

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### Jonkel expected to be South Africa's first graphite producer before the end of 2010

South Africa's Jonkel Group has revealed to **IM** that it intends to produce graphite before the end of 2010, through its subsidiary Jonkelkoza Minerals and Resources (Pty) Ltd (Jonkel Mine) created a year ago in order to "exploit existing and future natural graphite opportunities".

"Jonkel Mines has identified all graphite economic deposits here in South Africa and is working on them for future mining," declared Matimba Khoza, president of the group, adding that he was planning to start "on a small scale" with about 100 tpa of purified graphite.

Jonkel owns three graphite deposits in the Limpopo province, including the Steamboat deposit which has a grade of 8.8% of 2mm disseminated flake graphite and estimated resources of 3.5m. tonnes according to the company's last feasibility study.

The three major economic deposits happened to be on community land, so Jonkel is on a joint-venture agreement with the local community to exploit them. But "the process of acquiring them started in 2009 and is not yet finalised with the administration of Department of Minerals," explained Khoza.

The plan for Jonkel Mines is to supply its sister company, Jonkel Carbons and Grafites (Pty) Ltd - also created in Q1 2009, which would then process and manufacture Jonkel Mines's graphite for domestic consumption.

Only one of Jonkel Carbons' two premises located in the Diggers Rest and Nine Pence provinces is operational, Nine Pence needing renovations. The plant buys raw materials from other graphite producers such as Germany's SGL Carbons and China's Qingdao Hensen Graphite Co. Ltd.

### S Africa's only producer

There have been no graphite producers operating in South Africa since the exit of Germany's GK Graphite exited the business some years: This new operation will instate Jonkel as South Africa's sole graphite producer.

"Like Mozambique, Tanzania and other southern African countries, South Africa owns [graphite] resources. But due to low prices and political difficulties all these deposits have not been developed so far," commented Dominik G. Luh, managing director of trading company Technogرافit GmbH to **IM** (*IM March 2010, p.90: Technogرافit GmbH*).

Yet the country could show good growth opportunities as there is a need for graphite, the black raw material being mainly imported from China. In 2008, domestic consumption was estimated to be over 3,000 tonnes.