

Norilsk Nickel's Upgraded Plant Starts Operations in Russian Arctic

By [The Moscow Times](#)

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Norilsk Nickel is the world's largest producer of nickel and palladium.

TALNAKH, Russia — Russia's Norilsk Nickel, the world's largest nickel and palladium miner, has started pilot operations at its Arctic-based Talnakh concentrator plant after the first stage of an upgrade to improve productivity.

The project is part of Norilsk's strategy to focus on large, low-cost production projects in Russia's Arctic region while selling non-core assets abroad.

"The project will raise productivity and improve the quality of output products," Vladimir Potanin, Norilsk Nickel CEO and co-owner, said at an opening ceremony in the Talnakh region.

Talnakh is part of the northern Norilsk region. Some 30 percent of the region's 220,000 population are employed by Norilsk Nickel, a \$23 billion company that mines 14 percent of the

world's nickel and 40 percent of its palladium, a metal used in car exhausts and jewelry.

The upgrade should increase the amount of metal the concentrator can recover from ore, but will not affect production volumes.

The concentrator, built in 1981, processes ores mined at the Talnakh and Oktyabrskoye deposits to produce nickel and copper concentrates.

Investment in the first stage of its upgrade exceeded 3 billion rubles (\$46 million), Norilsk said. The second phase is scheduled to start in 2016, and the third stage in 2018.

After the upgrades, the Talnakh concentrator's processing capacity will more than double to up to 16.5 million tons of ore per year from 7.5 million tons now, Norilsk said.

Capital expenditure for the first two stages of the modernization is estimated at 43 billion rubles.

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