Magontec has recently announced a major new project that will dramatically increase the company’s future production capacity. A new foundry with an initial capacity of 56,000 mtpa will be built at Golmud, in Qinghai Province, PRC.

Additional capacity will be progressively brought into the market under the agreement with Qinghai Salt Lake Magnesium Company Ltd (QSLM), Magontec’s partner in this project. The terminal capacity of the project is planned to be 450,000 mtpa.

Magontec will become the exclusive manufacturer and marketer of magnesium alloys sourced from QSLM’s new pure magnesium smelter, which is currently under construction at Golmud. This production facility will use electrolytic technology and the first unit will initially deliver 100,000 mtpa rising to 150,000 mtpa. Two additional smelters will subsequently provide further capacity.

Giant steps

Nicholas Andrews, Magontec’s Executive Chairman said “this exciting and challenging new project will offer our customers access to a product that is environmentally superior. The Golmud facility will use a hydro electric energy source and electrolytic production technology. Our own plant is located adjacent to QSLM’s electrolytic smelter and will receive a direct supply of hot liquid metal generating significant energy and logistical advantages. Magontec’s technical staff will also add value to the project, providing expert advice on the foundry design and construction.”

Magontec’s Golmud project will enhance the value chain using its outstanding expertise in a groundbreaking way. The project’s unique production advantages will enable substantial productivity improvements. At Golmud Magontec will manufacture a wide variety of standard and increasingly sought after specialty alloys for supply to leading die casters in the international markets. The size of the project will allow Magontec to offer customers a level of supply consistency absent from magnesium alloy markets in recent years.

Benefits for customers, society and the environment

Customer demand for magnesium alloys produced in an environmentally sound process is expected to grow strongly and gradually replace alloys based on the CO₂-intensive Pidgeon process.

Construction of the foundry is scheduled to commence in the fourth quarter of 2012 and will be completed prior to the start of production of QSLM’s electrolytic smelter for pure magnesium. Over the coming months we will keep customers informed on the progress of this project.