Sirocco Announces Temporary Reduction in Production at Aguas Blancas

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VANCOUVER, BRITISH COLUMBIA -- (Marketwired - Dec 3, 2013) - Sirocco Mining Inc. (TSX:SIM) ("Sirocco" or "the Company") reports that due to a softening of iodine prices, operation of the Agitated Leach Plant ("ALP") and Slurry Plant at Aguas Blancas, Chile, will be temporarily suspended and that the installation of the SAG mill and its commissioning will be delayed.

Mining and Heap Leach operations will continue in 2014 with a forecast production of approximately 1,000 tonnes of iodine. Sales levels for 2014 are budgeted at approximately 1,300 tonnes, with heap leach production being supplemented by current iodine inventories. It is anticipated that the ALP and Slurry Plant will be restarted early in 2015 and that completion of the SAG mill installation will follow closely thereafter. The decision to suspend ALP and Slurry plant operations is effective immediately. The cost of the temporary curtailment of operations, including the layoff of 150 employees, is estimated to be approximately US$1.0 Million.

The world price for iodine has softened over the last 12 months, primarily due to increased production from Chile, exceeding the growth in demand. In line with other Chilean producers the Company has made the decision to reduce production levels until the market returns to balance, which is expected by 2015.

Commenting on the decision, Richard Clark, CEO said, "We regret that market conditions have necessitated a temporary reduction in iodine production and the deferral of the completion of the SAG mill installation. We are optimistic for higher iodine prices by the end of 2014 and into 2015, at which time we will complete the installation of the SAG Mill to realize annual production rates of over 2,000 tonnes. In the meantime, forecast production in 2014 together with existing iodine inventories will ensure continued supply of product from Aguas Blancas to its customers."

About the Company

Sirocco Mining Inc. is a Canadian company which produces iodine from its Aguas Blancas mine in northern Chile. In addition, the Company has exploration interests in West Africa and is actively assessing other opportunities in the resource sector.

Cautionary Statements

This news release contains forward-looking statements concerning the Company's plans for its business and properties. These forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the forward-looking statements, including, without limitation, risks and uncertainties relating to political risks involving the Company's exploration and development of its properties, the inherent uncertainty of cost estimates and the potential for unexpected costs and expenses, commodity price fluctuations, the inability or failure to obtain adequate financing on a timely basis and other risks and uncertainties, including those described in the Company's periodic filings with the British Columbia Securities Commission. Such information contained herein represents management's best judgment as of the date hereof based on information currently available. The Company does not intend to update this information, except as required by law, and disclaims any legal liability to the contrary.

On behalf of the Board,

Rick Clark
President and CEO

Contact

Sirocco Mining Inc.

Sophia Shane
604 689 7842
604 689 4250
www.siroccomining.com