

IRC Kuranakh Iron Ore Mine Turns Profit

By [The Moscow Times](#)

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LONDON — IRC, a Hong Kong-listed iron ore company operating in Russia, is turning a profit from its Kuranakh mine after beginning production in May and sales from the project in September, according to chairman Jay Hambro.

"It's very obvious that Kuranakh is making money at the moment," Hambro said in an interview Thursday in London. "I expect we'll be at full capacity towards the end of this year."

IRC, which plans to produce 860,000 tons of iron ore in 2011 from Kuranakh at a cost of \$82 a ton, is benefiting from market prices for the steelmaking ingredient that have more than doubled in the past two years to \$171.

Higher prices will be sustained as supply is constrained and new mines have been delayed, helping the company reward its investors, said Hambro, whose father is Peter Hambro, chairman of Russian gold mine developer Petropavlovsk.

"As soon as we are making regular profit we'd like to pay a regular dividend," the IRC

chairman said. "My personal view is that, depending wherever you are in the development, paying away a quarter of your bottom line is a healthy thing to do." IRC hasn't decided the timing or size of dividends, he said.

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