

Saturday, June 7, 2008

Timminco shutting plant in Haley

Posted By THE CANADIAN PRESS

Timminco Ltd. is shutting its small magnesium plant in Haley, Ont., east of Cobden, as it focuses on its glamorous solar-power- grade silicon business.

The company said Friday the closure, "consistent with its strategy to restore its magnesium extrusion and related specialty metals business to profitability," is expected to save \$5 million a year.

The Haley facility currently has 24 hourly unionized employees.

"Our magnesium business has significant long-term potential, but current economic conditions require that we further reduce our operating costs significantly," stated John Fenger, president of Timminco's light metals division.

"The closure, although difficult, provides us with a path to profitability and potential divestiture or other strategic alternative for the rest of our magnesium business."

Magnesium billet previously provided by the Haley plant to Timminco's extrusion operation in Aurora, Colo., now will be provided by outsource partners, while its specialty magnesium granules and turnings will be produced at Timminco's plant in Nuevo Laredo, Mexico.